

DWP Conditionality and Sanctions.

An interim report in to the Department for Work and Pensions' regime and impacts in Salford.

15th August 2014



Salford City Council

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Foreword

'Jobseeker's Allowance (JSA) provides financial support to individuals while they look for work. Through Jobcentre Plus and other programmes, the Government invests significant resources in helping claimants move into employment as quickly as possible. This includes access to adviser support, training, work experience and work placements.

In return for benefit payments and this support, claimants must take all reasonable steps to give themselves the best prospects of securing employment. They must also meet specific mandatory requirements set by their adviser that are designed to help them into work. If they do not – and they do not have a good reason for doing so – their benefit payments will be 'sanctioned' ie stopped completely or reduced for a period of time.

The government strongly believes that this system is right and that sanctions are an essential part of JSA (and have been since the introduction of the benefit in 1996). Sanctions aim to motivate claimants to take the necessary action to find work, and to ensure the system is fair to the taxpayer. The JSA regime, which includes sanctions, is very effective at moving people off JSA and into work – around two-thirds of claimants end their JSA claim because they find paid employment (1). Over half of new claims for JSA end within three months, three quarters within six months and 90 per cent within a year.

Seventy-two per cent of claimants say they are more likely to follow the rules due to the presence of sanctions (2).'

Taken from the Government's response to the Independent review of the operation of Jobseeker's Allowance sanctions validated by the Jobseeker's Act 2013.

Department for Work and Pensions, July 2014.

- (1) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214578/rrep791.pdf
- (2) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/261656/rrep852.pdf

Executive summary

The Report

In May 2014 Councillor Paula Boshell, Chair of the **Skills and Work Board**, tasked a working group to provide the Skills and Work Board with a report in to DWP's conditionality and sanctions regime.

In particular, the impact of the regime in Salford on residents with reference to the effects on performance in relation to Priority 2 of the Skills and Work Board; reducing the number of people out of work and in receipt of benefits, with a specific focus on:

- Young people aged 16 – 24
- People with a health condition
- People / families with complex dependencies

Also, its' impact on agencies and the services they provide to Salford residents. Alison Page (Chief Executive, Salford CVS) chaired the group, members of the partnership based **Financial Inclusion Practitioner's Group** volunteered to participate in the production of this report which includes contributions from a wide variety of local agencies contributed to the findings. (Appendix 1)The report was presented to the Skills and Work Board on 23rd October 2014 and the recommendations accepted.

The task group decided this is **an interim report** and will repeat the data analysis and call for evidence in six months time in order to produce a final report. This will enable the group to engage with a broader range of partners and also, monitor the impacts of **Universal Credit** on sanctioning rates and impacts in Salford following implementation from July 2014.

Department for Work and Pensions (DWP) conditionality and sanctions regime

The regime has developed over time and successive government administrations, escalating considerably since 2008. From **October 2012**, the sanctions regime toughened up considerably in preparation for the introduction of Universal Credit.

- Sanctions are financial penalties imposed on claimants who fail to meet **work-related conditions**. For example lone parents whose youngest child reaches five are now expected to meet a full jobseeker's regime (although they can place restrictions on availability). Those claiming [Employment and Support Allowance](#) deemed to have limited capability for work also have conditions placed on them to prepare for work.
- From **October 2013**, Salford Jobcentre Plus (JCP) offices introduced the [JSA Claimant Commitment](#) (Jobseeker's Allowance) and the expectation of **35 hours per week job searching for those expected to be available for full-time work**. From April 2014 lone parents with children aged 1 to 4 are subject to increased conditionality and new claimants are subject to [conditionality from "day one"](#). Those in receipt of JSA leaving the work programme after two years are subject to a mandatory ["Help to Work"](#) regime with for example **daily signing** on for up to three months.

When a sanction is applied, it results in significant financial loss and hardship for claimants and their families. The reduction or loss of benefit varies;

- **JSA single** claimants lose 100% of their benefit entitlement; for **JSA couples** an amount must be left for the partner
- **Universal Credit** claimants lose the equivalent of the JSA personal allowance or 40% of the allowance for lower level sanctions.
- **ESA** claimants lose £72.40 per week
- **Income support** claimants lose £14.48 per week (20%)
- Sanctions can last from **one week and up to three years**

Scale of the issue at a national and local level

There is a clear trend upwards in the use of benefit sanctions at a national level. In relation to JSA, these peaked at an all time high in October 2013 when 88,449 sanctions were issued in that month. Nationally, according to the New Economy's report, '*Benefit Sanctioning in Greater Manchester*' (September 2014) just under 871,000 adverse sanction decisions were made in 2013.

http://neweconomymanchester.com/stories/1828-new_economy

Work Programme providers play a significant role nationally in the process but due to their lack of engagement in this review, we cannot report on this from a local perspective (see Appendix 2). As a consequence, it is difficult to evaluate the impact of *conditionality* on performance of DWP work programmes.

Case studies highlighted that claimants with **learning difficulties, mental health issues, language barriers and young care leavers often struggled to meet conditionality**. The task group agreed to broaden the initial scope of the report into 'sanctions' to consider how conditionality and the '**threat**' of a sanction impacts on vulnerable groups of claimants.

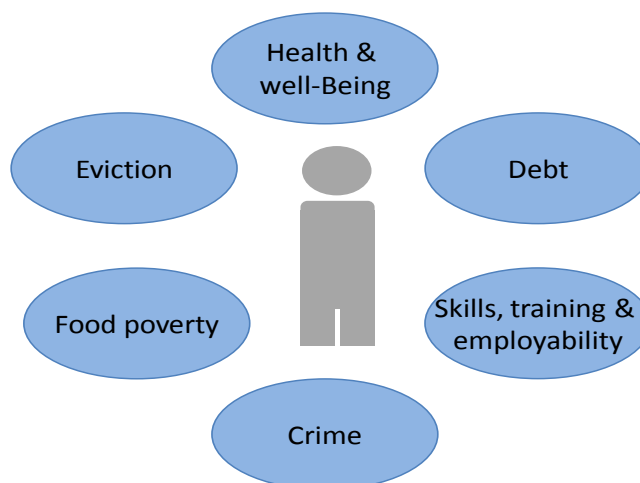
The task group has been limited in its attempts to provide data to evidence any **disproportionate impacts on vulnerable groups**. For example, the task group asked for the following but on the advice of DWP Central Policy Unit, JCP locally responded that they were only able to share DWP nationally published data sets.

- number of care leavers identified on JCP system and number who have received an adverse sanction decision
- number of claimants receiving an adverse sanction with dependent children

Evidence from Connexions, however, does confirm the rising number of **young people** who are choosing not to, or are unable to continue claiming JSA due to difficulties with conditionality and sanctions. This potentially leaves them with no income and if they are living independently as tenants, difficulty claiming help with housing and council tax. **From April 2014 only 40% of the 18-24 year olds** in Salford registered with the service is in receipt of benefits.

We were able to obtain data which illustrates the **inconsistencies** in sanction activity between Salford JCP offices. (See 6.2.1) Also, case studies demonstrating a degree of **inappropriate and unreasonable sanctioning** of claimants in Salford who appear to have made minor breaches or had genuine reasons for failing to meet their work related requirements.

It is clear that the conditionality and sanctions regime is leading to a myriad of problems affecting both claimants and their families. A review of the evidence collated through case studies and reports from service managers place the main impacts for claimants under four main headings which relate to; **finance, health and well being, skills, training and employability and offending.**



'Data for Immediate Emergency Assistance for month of April 2014, shows 67 (20%) out of 332 applications were for benefit sanctions. Clients are worried about how they can afford to pay essential items including: rent, loans, food, gas, electric, travel to hospital and school'

Salford Discretionary Support Scheme, July 2014



In the absence of formal recording of sanctions, a consistent theme from agencies in the city approached for this report is the scale of the impact on support services in **dealing with the impact** of sanctions. This illustrates not only the human cost to the individual and family, but also the **financial cost to agencies** and the **additional demand** on resources **including DWP** itself dealing with reconsiderations and appeals.



‘Sanctions are having an impact on customers making their rent payments although at this stage as an organisation we are unable to directly quantify the finance impacts to City West. Rent arrears are increasing due to customers being unable to make the payments required due to the sanction being in place.

The knock on effect of sanctions is that housing benefit claims are being suspended. This inevitably creates more work for our Rent Officers; in terms of home visits, phone calls, unpaid rent etc. Sanctioned tenants often require more intense support in terms of money advice. Our Money Advice Service has limited numbers and supporting sanctioned tenants is resource consuming.

As a housing provider it has been highlighted that the recording of sanction impacts can be improved further to monitor the impacts on both our business and our customers.’

City West Housing Trust

Summary of Recommendations

The task group agreed a number of actionable recommendations which it presented to the Skills and Work Board themed under the following headings;

A. Communication

A number of areas for improvement have been identified, some of which are covered in the recent Oakley report on sanctions others are not. Some relate to local actions we can influence as a partnership. These include improvements to discussions with claimants and producing information to claimants in Salford so they **better understand what is expected of them** and therefore avoid an adverse sanction decision being imposed.

B. Training and awareness of front line workers about the DWP's conditionality and sanctions regime

This is two-fold; the task group wants a piece of joint work to be undertaken between the Financial Inclusion Practitioner's Group and JCP in Salford to agree **an awareness session for JCP advisers** on agreed topics which may include; basic skills screening, mental health awareness, illegal money lending, advice and support services. In addition, there is a need for all frontline workers in the city to have an understanding of the issues raised in this report to ensure residents are not put at risk of sanctions when engaging with services.

C. Work Programme

There is a lack of accountability which we strongly believe poses a risk to understanding the local picture and the impact on Salford residents. We want to explore how Work Programme Primes can be **better engaged** in the City's partnerships.

D. Data sharing

We want to explore with DWP how **data can be shared with us locally** and at GM level.

E. Mandation

DWP are mandating claimants in to a variety of locally delivered services but there is a lack of transparency about this process which is negatively impacting both claimants and organisations locally, for example Work Clubs. We need to develop **local protocols** to ensure partners can participate in this process and claimants are not disadvantaged when attempting to develop their skills by attending provision which is not 'approved' by JCP.

We also recommend that **volunteering remains voluntary**.

F. Access to advice

The benefits system is becoming increasingly complex, this will be exacerbated by the introduction of Universal Credit and then potentially the migration of claimants from legacy benefits to Universal Credit resulting in dual systems in operation in the city. Independent and quality assured advice is essential to enable vulnerable claimants to ensure they understand their entitlements. This requires investment in to advice services.

G. Access to emergency financial support

Salford's Discretionary Support Scheme along with Food Banks provide critical support to people in financial crisis. We are concerned that the government has announced funding for local support schemes is to be withdrawn and want to request that this safety net utilised by many claimants as a result of a sanction, continues nationally and in Salford.

We want to see further investment from partners in Salford Credit Union to support the development of products which allow immediate loans to people in an emergency.

The Financial Inclusion Practitioner's Group is launching a city wide 'Salford Against Loan Sharks' campaign. We ask that all the partnership Boards in Salford sign up to promoting this campaign.

H. Further areas of work

We want the Financial Inclusion Practitioner's Group to explore drawing down funding to support other pieces of research and/or projects to further support residents of Salford impacted by Welfare Reform.

1. Background

At the Skills and Work Board meeting held on April 17th 2014, Jobcentre Plus (JCP) provided members with an overview of its mainstream offer. This included information about the conditionality and sanctions regime which applies to claimants of Jobseeker's Allowance (JSA) and some Employment and Support Allowance (ESA) claimants to ensure they are taking sufficient steps to prepare for and secure employment.

Concerns were raised by several Skills and Work Board members that aspects of the conditionality and sanctions regime, rather than supporting claimants into work may impact negatively on the ability of some residents to undertake and sustain engagement in suitable **training and/or access employment opportunities**. This is due to fear about the **'threat'** of a sanction being imposed which means a claimants' overriding concern can be meeting their claimant commitment at the expense of undertaking other more suitable activities to improve their employment prospects or more appropriate due their health condition.

Members of the Board and its working groups also reported individual examples across partner organisations, which suggested that local Jobcentre Plus offices may be applying sanctions in an inappropriate, inflexible or inconsistent manner. This had resulted in a number of vulnerable residents experiencing **financial hardship** and requiring support from a range of agencies to meet basic food, heating and accommodation needs.

In response, Councillor Paula Boshell as Chair of the Skills and Work Board requested that a task and finish group be established to review the DWP's conditionality and sanctions regime, it's impact on performance of JCP/Work Programme and its' impact on residents and agencies in Salford. Alison Page (Chief Executive, Salford CVS) chaired the group and members of the Financial Inclusion Practitioner's Group volunteered to participate in producing this report. A wide variety of agencies contributed to the report. (Appendix 1). The report and recommendations were accepted by the Board on 23rd October 2014.

2. Terms of reference

The task and finish group met on 22nd May 2014 to scope out the terms of reference for the report, again on 30th May to agree who to approach for evidence to inform the findings and on 4th August, to agree the report and the recommendations.

The group agreed an approach which focused this report on;

- Understanding the DWP's conditionality framework and sanctions regime
- Exploring the effectiveness of the conditionality and sanctions regime
- Reviewing the impact of the above on (i) residents
 - (ii) agencies/organisations
- Identifying key recommendations for the Skills and Work Board

The group also agreed that this would be an **interim report** to enable a further review in 6 months time to consider the impact of **Universal Credit** on conditionality and sanctions. Also, to broaden the report contributors, engaging with further agencies whose clients and services are affected.

To inform this review, the group undertook the following actions;

- Approached DWP locally through JCP to contribute statistical data eg claimant numbers per Salford office, sanction rates in Salford, JSA destination data when claim is ended.
- Approached Work Programme Providers (Avanta, Seetec and G4S) to provide data on the number of referrals made to DWP for sanctions and to understand performance data and consider whether conditionality and sanctions regime is effective in achieving outcomes
- Requested case studies to understand the impact on residents from a range of services. Respondents to date are listed in Appendix 1.
- Circulated a questionnaire to partner agencies to understand their experiences of providing support to residents and how this impacted on service provision. Respondents are listed in Appendix 1.

3. Limitations of the review

JCP felt it was not appropriate to participate in the production of this report. JCP has provided the group with publicly available data on numbers of sanctions and average claimant numbers per Salford office. Any additional data has been sourced from DWP, the most recent data was published in May 2014 covering the period to end December 2013 available at:

<https://www.gov.uk/government/collections/jobseekers-allowance-sanctions>

The **Work Programme Primes** who deliver DWP's Work Choice Programme decided not to contribute to this review so we were unable to obtain local data to understand the extent locally, that Work Programme primes/sub-contractors are referring participants for sanction decisions by DWP. We have been able to source national figures which show that Work Programme provider do play a significant role in the imposition of sanctions. (Appendix 2).

The group found little in the way of evidence to enable **evaluation of the effectiveness** of the conditionality and sanctions regime nationally or locally.

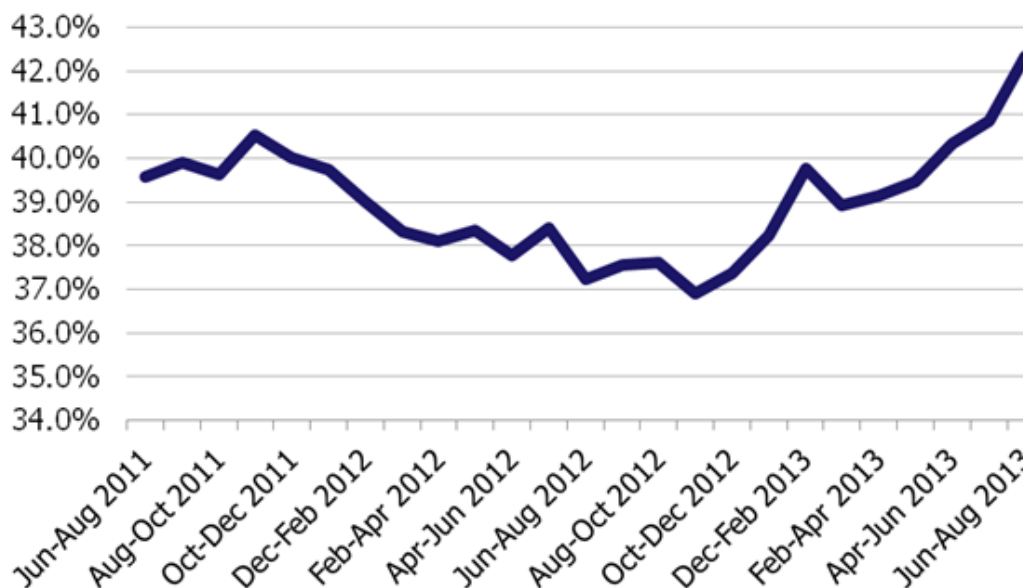
It is evident that Salford has seen a 1.8% decrease in the number of residents claiming Jobseekers Allowance (3.6% April 2014, compared to 5.4% April 2013).

Whilst a **reduction in the claimant count is seen as a positive result**, it is important to note that it is not possible to confirm that this is solely due to people moving into employment and we draw the conclusion that conditionality and sanctions may have an impact on this performance, by pushing people towards dropping out of the system and to accept part time, zero hour or insecure work.

Analysis by the Centre for Economic and Social Inclusion (November 2013) illustrates how three out of every ten people referred for sanction 'drop' their claim - this is **double the rate in 2007**. These people are therefore removed from the claimant count.

<http://www.cesi.org.uk/blog/Work%20Programme>.

Below is a CESI graph which illustrates the rise in the number of unemployed people not claiming JSA.



JCP do not publish the **destination** of a claimant when a JSA claim ends, as such we do not know whether or not a person has moved into employment, the type of employment e.g. part time/ full time, zero hour contract or short term, insecure work or indeed whether they have moved onto another benefit or dropped out of the system.

This DWP research paper contains some information regarding destinations for benefit claimants, however this is based on a sample and is from 2011.

<https://www.gov.uk/government/publications/destinations-of-jobseekers-allowance-income-support-and-employment-and-supportallowance-leavers-2011-rr791>

As the national JSA claimant rate appears to be falling at a faster rate than unemployment since the new sanctions regime has been implemented, this would suggest that it may be that the anticipation of or imposition of is contributing to this fall, rather than that all job seekers are leaving JSA having secured employment.

There appears to be a limited evidence base around the potential for sanctions to **improve outcomes** in the welfare to work arena according to the Joseph Rowntree Foundation in their review published in 2010. Looking at the UK, USA, Australia and Canada they concluded that sanctions:

1. Reduce the time spent on out-of-work benefits.
2. Increase numbers of people leaving benefits for employment.
3. Increase numbers of people leaving, for reasons other than employment.
4. 'Second order' effects, leading to reduced caseloads and so reduced benefit spending.

But the review finds that not all potential effects are looked at in the existing research and some are only covered by a small number of studies.

1. There are no studies on the deterrent effect of sanctions on claiming the benefit in the first place (take-up effect).
2. Few studies look at 'quality of outcomes' rather than just simple measures of duration and moving off benefits.
3. Qualitative studies of impact on people who are sanctioned tend to be selective (covering only those who are sanctioned and do not leave benefits).

There is also strong evidence, though from fewer studies, on the 'unintended effects' of sanctions:

1. Widespread problems of information about and communication of sanctions.
2. A punitive sanction approach linked to large numbers of people 'disconnecting' from the system.
3. Poor job quality and job progression of sanctioned job entrants.
4. Raised levels of property crime in areas with higher sanction rates.

<http://www.jrf.org.uk/blog/2010/12/benefit-sanctions-evidence-review>

This report is consequently unable to provide commentary on whether, and to what extent the current regime and use of sanctions is having the desired effect of encouraging claimants to become more actively engaged in jobseeking and/or moving into employment and would support a call made in the **Work and Pensions Select Committee report 'Role of Jobcentre Plus in the Reformed Welfare System'** 28th January 2014 which calls for a second independent review to explore these issues.

The report is also limited in terms of the **data** available. DWP explained that it is only able to share publicly available data. For the purposes of this report, we attempted to explore if specific groups of claimants were more or less likely to receive an adverse sanction decision. For example, we requested data on the number of claimants sanctioned with dependent children in Salford and also the number of care leavers. We were not able to obtain this information so have used case studies to understand how these groups are affected.

4. Understanding DWP's conditionality and sanctions regime

In the social security system, sanctions are financial penalties imposed on claimants who fail to meet **work-related conditions**. These conditions have escalated considerably since 2008. For example lone parents whose youngest child reaches five are expected to meet a full jobseeker's regime (with some discretion to limit availability of hours). Those claiming [Employment and Support Allowance](#) deemed to have limited capability for work also have conditions placed on them to prepare for work.

From **October 2012** the sanctions regime toughened up considerably in preparation for the introduction of Universal Credit. For example Jobseeker's can now be sanctioned for up to three years and those on Employment Support Allowance stand to lose the whole of their personal allowance.

From **October 2013**, the conditionality regime has escalated further in advance of Universal Credit with the introduction of the [JSA Claimant Commitment](#) and the expectation of 35 hours per week

job searching. From April 2014 we have seen [even more conditions](#) affecting lone parents with children aged 1 to 4, and new claimants have increasing [conditionality from “day one”](#). Those in receipt of JSA leaving the work programme after two years are subject to a mandatory [“Help to Work”](#) regime with for example daily signing on for up to three months.

4.1 Current benefit conditionality

Who?	What?
Old style Jobseeker’s Allowance claimants (and joint claim partners)	Actively seek and be available for paid work NOW with exceptions where childcare arrangements need to be made (48 hours). <i>Sign a Jobseeker’s Agreement</i>
Universal Credit claimants(Gateway conditions) and New style JSA	Take all reasonable action to get <i>enough</i> paid work NOW 35 hours per week job searching with exceptions eg responsible for a child, health issue or caring role. <i>Sign a Claimant commitment</i>
Employment & Support Allowance - Work-related activity Group Income Support (IS) - lone parents with youngest child aged 3 and 4	Work-focused interviews and work preparation to get paid work in the FUTURE <i>Sign a Work- related activity action plan</i>
Income support (IS) - lone parents with a youngest child aged 1 and 2	Participate in work-focused interviews (WFI) at JCP office.

In Greater Manchester, ESA claimants in the work-related activity group leaving the work programme are mandated to an initial appointment through the ‘**Working Well**’ programme delivered in Salford by the Big Life Group. Participation in the programme thereafter is voluntary with potential for activity to be included within a claimants’ work-related action plan on referral back to DWP.

4.2 Amount of benefit cut through a sanction.

- For **JSA single** claimant it is 100% of entitlement
- For **JSA couples** an amount must be left for the partner

- For **Universal Credit** it is the equivalent of the JSA personal allowance or 40% of the allowance for lower level sanctions
- For **ESA** it is £72.40
- For **income support** it is £14.48 (20%)

Benefit can be sanctioned for failing to meet a **work-related requirement AND failing to provide good reasons** in time for the failure.

The DWP labour market decision maker must take in to account all relevant personal circumstances when deciding whether a person has good reason for their actions and acted reasonably. Good reason is not set in the rules, but what may count is set out in [guidance](#). The decision-maker should give sufficient time to the claimant to explain reasons and give evidence. This is up to five days for failure to attend but can be less.

4.3 Length of Sanction

The length of the sanction can vary between **one week and three years** depending on which benefit is claimed, the reason for the sanction and whether it is a first or repeat failure. Repeat failures are more than two weeks apart and within a 12 month period. (Appendix 3)

4.4 Decision making process

JCP and work programme personal advisers /work coaches cannot make sanction decisions. They send a referral to the DWP labour market decision maker teams where a doubt arises on a claim. The decision maker may be based in a regional centre, for example Bolton JCP office now deals with all decisions nationally on doubts raised by Work Programme providers. The decision maker considers the nature of the failure and whether good reason has been provided. The decision maker decides on the amount and the length of the sanction and issues a decision letter, referred to in DWP statistics as an 'adverse decision'. The impact is immediate, affecting the claimant's next payment.

4.5 Mandatory reconsiderations and appeals

Claimants have **one month** from the date of the sanction decision letter to request a mandatory reconsideration. (MR) This is the DWP looking internally at the decision again. Once the decision maker has made a decision (no time-limit) a claimant who disagrees can lodge an independent appeal.

The Labour Market 'dispute resolution team' dealing with Salford's mandatory reconsiderations and appeals on adverse sanction decisions is in Ashton in Makerfield. This is the largest of 4 sites nationally and deals with all cases referred from North West England and London and the Home Counties.

The DWP aim to deal with requests for MR within 14 days. It appears that currently customers are waiting approximately 28 days for a decision. These are dealt with in date order.

Initially, following introduction of the MR process in October 2013, requests for MR on adverse sanction decisions came in slowly (250-300 per week) then by March 2014 this had risen to 800 – 1200 per week. Requests have now dropped to pre March levels due to improvements in DWP procedures and overtime however the team is still working to clear the backlog clearing around 600 cases per week.

Figures show that **around a third of decisions are overturned in the claimant's favour** during this process but we do not have the figures on success at independent appeal stage.

There are instances (approximately in 10% of cases coming in to the Ashton in Makerfield team) where claimants withdraw their request for a reconsideration or appeal because they have coped with a low level sanction and due to the time delay, perhaps feel it is not worth pursuing. This has implications because if they are sanctioned again this puts them at risk of a higher level sanction more quickly.

4.6 Hardship payments

Where a claimant receives JSA and has been sanctioned causing severe hardship **and** is in a vulnerable group (Appendix 4) then s/he can apply for a hardship payment but must continue to 'sign on'. This is 60% of JSA personal allowance. If not in a vulnerable group, a claimant is barred from requesting a hardship payment for the first **2 weeks**. Under Universal credit, hardship payments will be recoverable from future payments.

5. Effects of Welfare Reform on Conditionality

Welfare conditionality is about linking entitlement to benefit payments to 'responsible' behaviour. Access to benefits and services are dependent on the recipient meeting specified obligations or behaviour. Where individuals fail to adhere, benefits can be withdrawn or services reduced or removed.

According to the Joseph Rowntree Foundation, conditionality within the benefit system underpinned by the use of sanctions has grown incrementally over time and expanded in reach to include new claimant groups (people with health conditions, lone parents and people in work within Universal Credit). This is not confined to the UK but has been in evidence throughout Europe, America and Australasia promoted by bodies such as the Organisation for Economic Co-operation and Development (OECD) and the EU.

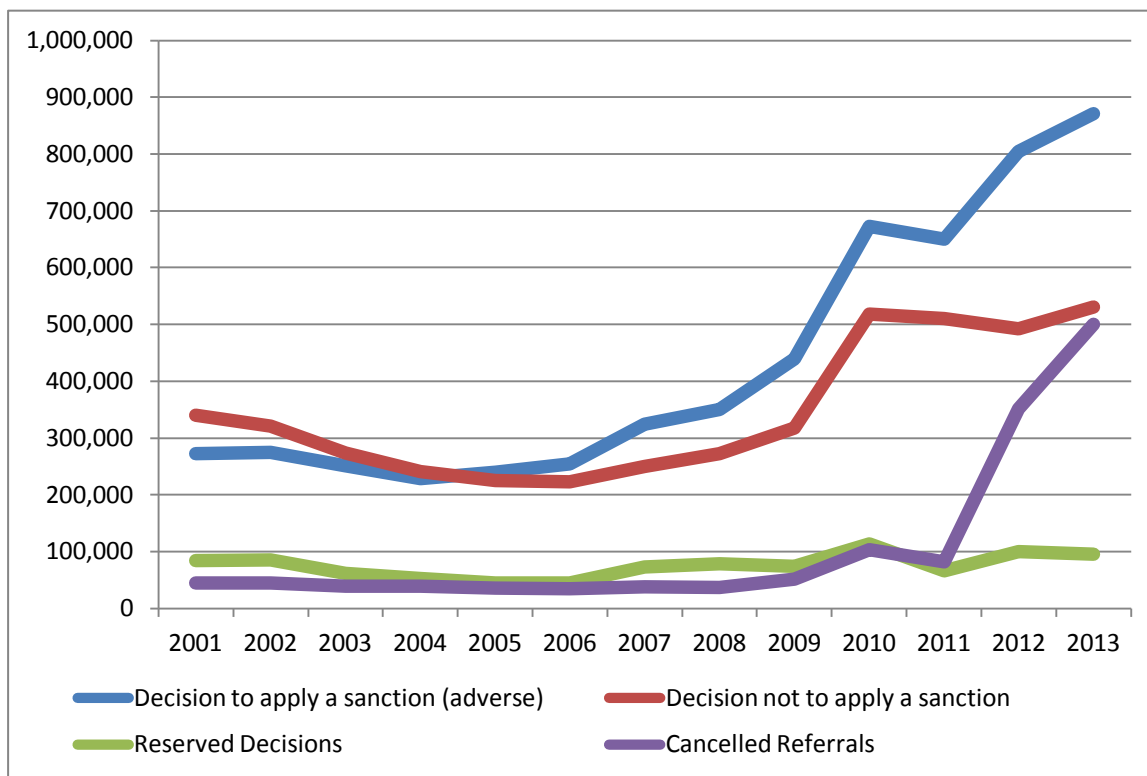
<http://www.jrf.org.uk/sites/files/jrf/conditional-benefit-systems-full.pdf>

The analysis in this report is based on DWP statistics published May 2014 covering the period to end of December 2013.

5.1 JSA related sanction activity

Statistical data published by DWP illustrates the national **rise in sanction related activity**, due in part to stricter regulations introduced by the government in October 2012. This national trend is mirrored locally.

(i) JSA sanction decisions 2011-2013, Great Britain (GB) 2001 – 2013.



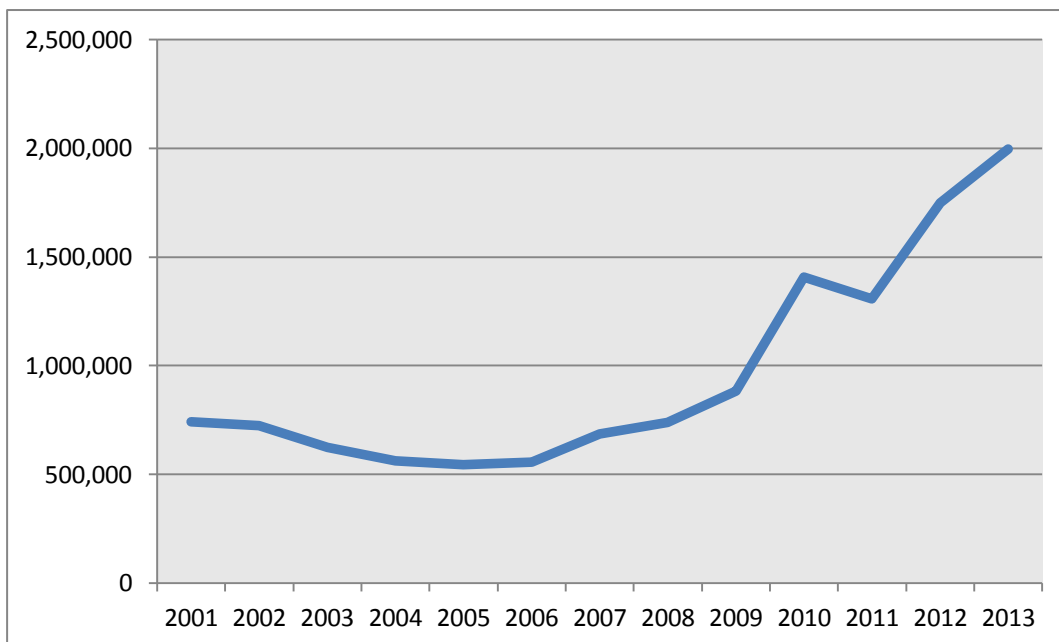
DWP Glossary of terms:

Decision to apply a sanction: decision found against the claimant i.e. a sanction too be applied or the JSA claim is to be closed.

Decision not to apply a sanction: decision found in favour of the claimant i.e. a sanction is not applied.

Reserved decisions: where a sanction would be appropriate but cannot be imposed because the claimant does not have a current claim to JSA.

Cancelled referrals: A cancelled referral results in no sanction decision being made. This can occur in specific in specific circumstances i.e. the sanction referral has been made in error; the claimant stops claiming before they actually committed the sanctionable failure, or information requested by the decision maker was not made available within a specified time



The graph above highlights that nearly **2 million JSA claimants have been involved in the sanctions process during 2013 although the referral for a sanction may not have resulted in a final decision to suspend payment**, (see definition above) an increase of 170% from 2001 (740,793 JSA claimants) to 2013 (1,997,008 JSA claimants).

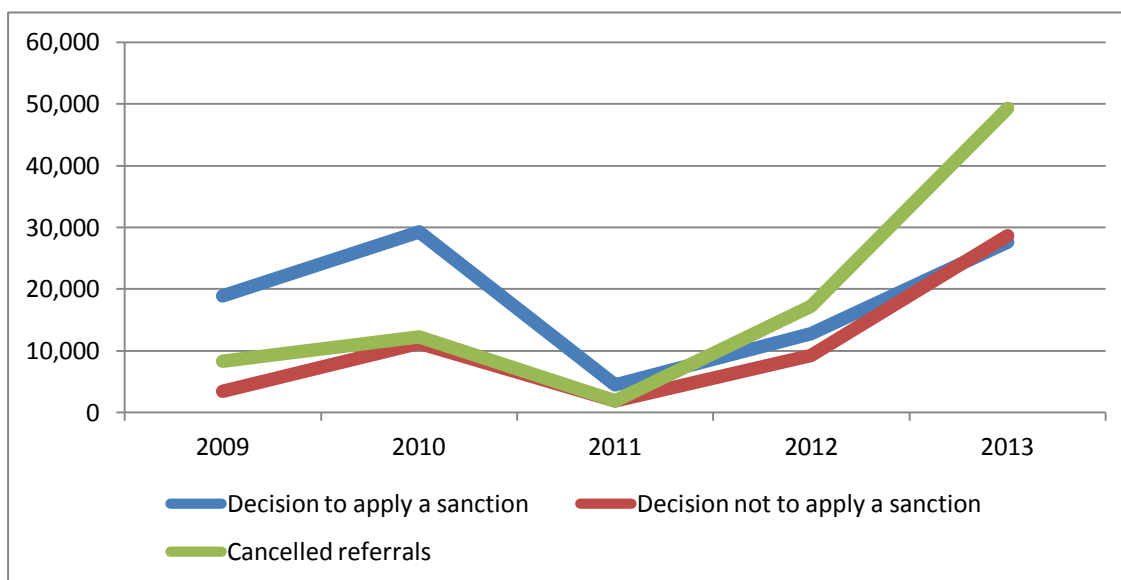
5.2 ESA related sanction activity

Similarly, GB data shows that sanctions applied to **ESA claimants** in the work-related activity group (WRAG) and on the Work Programme have quadrupled in one year increasing from 1,102 a month in December 2012 to 4,789 a month in December 2013.

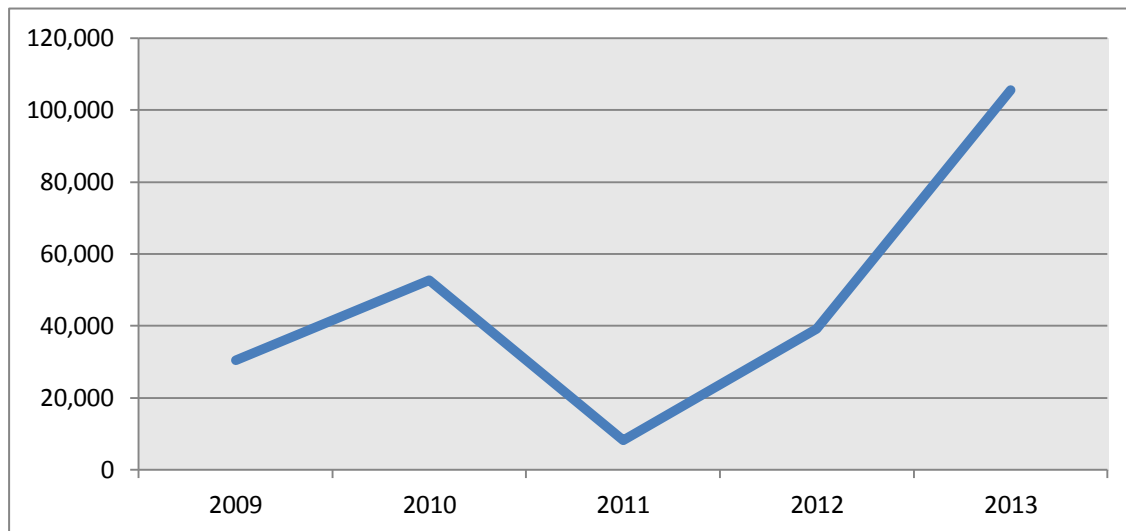
Furthermore, **62% of those sanctioned have mental health conditions or learning difficulties**, although only 50% of claimants in the WRAG have these conditions.

According to Child Poverty Action Group, of particular concern beneath these figures is the many thousands of ESA claimants who are severely disabled but stuck in the work-related activity group, as they are waiting up to a year for their appeal to try to get in the support group to be heard.

(iii) Employment Support Allowance sanction decisions, GB 2009 – 2013



(iv) ESA claimants receiving a sanction decision, either negative or positive, GB 2001 – 2013.



This graph highlights the total number of ESA claimants who have been involved in the sanctions process between 2009 and 2013, **within this timescale there has been an increase of 246% ESA claimants affected.**

5.3 Targets

In response to concerns that the rise in sanction activity is being driven by a ‘target culture’ within JCP offices, DWP commissioned an internal report which ***‘found no evidence of a secret national regime of targets or widespread secret imposition of local regimes to that effect’***. In 2013, DWP launched an independent review into the administration of sanctions led by Matthew Oakley and published July 2014 but this was not an issue included within the remit of the report. The Work and Pensions Select Committee along with a number of campaigning organisations is now calling for a second review independent review as a matter of urgency into the reasons for the rise in sanctions and whether sanctions actually work.

<https://www.gov.uk/government/publications/jobseekers-allowance-sanctions-independent-review>

A survey, published 1st May 2014, conducted by the **Public and Commercial Services Union** of Jobcentre staff challenged the DWP’s internal findings and showed that 23% said they had explicit targets for sanction referrals with 81% having an ‘expectation level’. 61% experienced pressure to refer claimants where they believed it may be inappropriate and 10% had gone through formal poor performance procedures for not making ‘enough’ referrals.

http://www.pcs.org.uk/en/news_and_events/pcs_comment/index.cfm/sanctions-ineffective-jobcentre-staff-say

6. Summary of interim findings

6.1 Communication issues

A theme which runs through the evidence thus far is concern around the quality of JCP communication around the conditionality and sanctions regime. A number of examples have been identified which are broadly in line with those identified by Matthew Oakley in his review;

- Conditionality now applies to claimants from **'day one'** of a new claim. This makes it vital that residents understand what is expected of them and know how to produce the evidence to show they are taking the required steps to seek work. Case studies and reports from frontline workers show that a significant number of residents do not always appear to understand what JCP advisers are asking them to do to meet this conditionality and therefore avoid a sanction.
- Many residents also report a failure to communicate that a sanction is being imposed with examples given of residents unaware their money has stopped until they try to pay bills or buy essentials. Some residents report having not received verbal or written notification from JCP prior to this, giving them **no warning** of the sudden loss of income. This is confirmed by agencies including **Salford Discretionary Support Scheme** who spend considerable time liaising with JCP on behalf of residents to determine why someone is presenting for their help.
- A number of agencies commented that once sanctioned, many residents report not being advised by JCP that they can **challenge the decision** and are not always advised about the potential to claim **hardship payments**. In response to this, the Welfare Rights and Debt Advice Service who regularly advise sanctioned residents have produced and distributed the APPEAL your SANCTION leaflet (attached).



sanction appeal
leaflet concept.pdf

- Communication from **JCP to the local authority Housing Benefit section** is not as effective as it could be. Sanctions trigger a stop in Housing Benefit Payments the notification from JCP to suspend or disallow Housing Benefit does not refer to a sanction, resulting in rent arrears, and increases the risk of potential homelessness for tenants. This has a knock on effect to the Housing Benefit team and landlords rents.
- Some residents are confused by terminology when asking JCP for help e.g. budgeting advance and hardship payments. Advice agencies report that as a result they don't appear to receive the correct information. One agency reported that a claimant asked JCP if there was a 'hardship fund' (rather than a hardship payment) and was told there wasn't one.

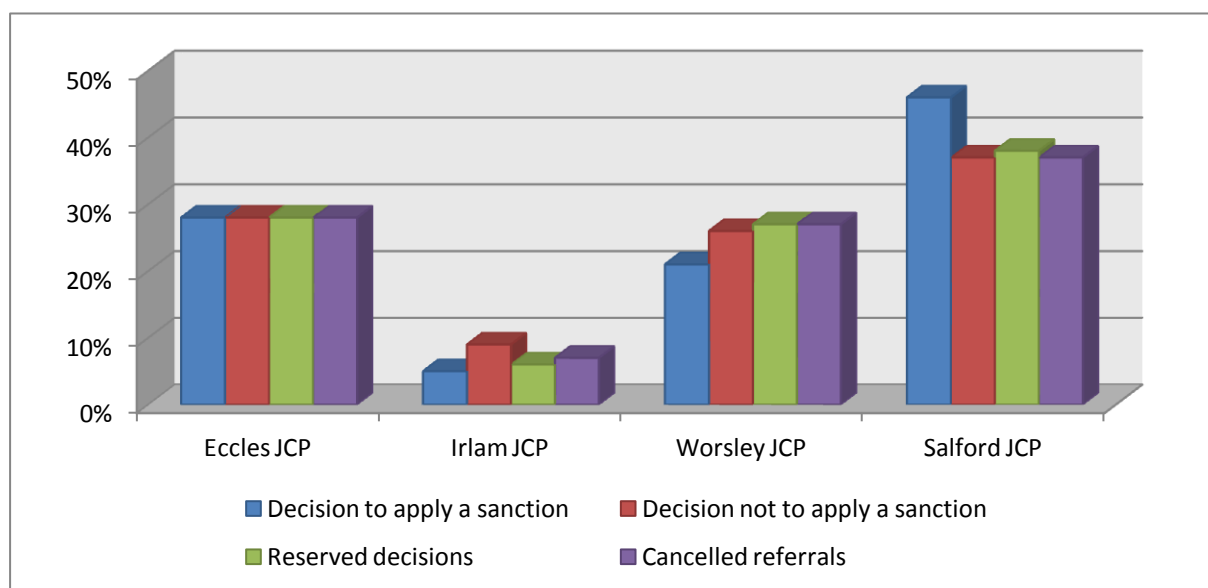
6.2 Concerns about consistency and proportionality

Consistent with the findings of the Joseph Rowntree review of sanctions quoted earlier, the experience locally shows that the anticipation or ‘threat’ of a sanction appears to be as significant in terms of impact as a sanction being imposed.

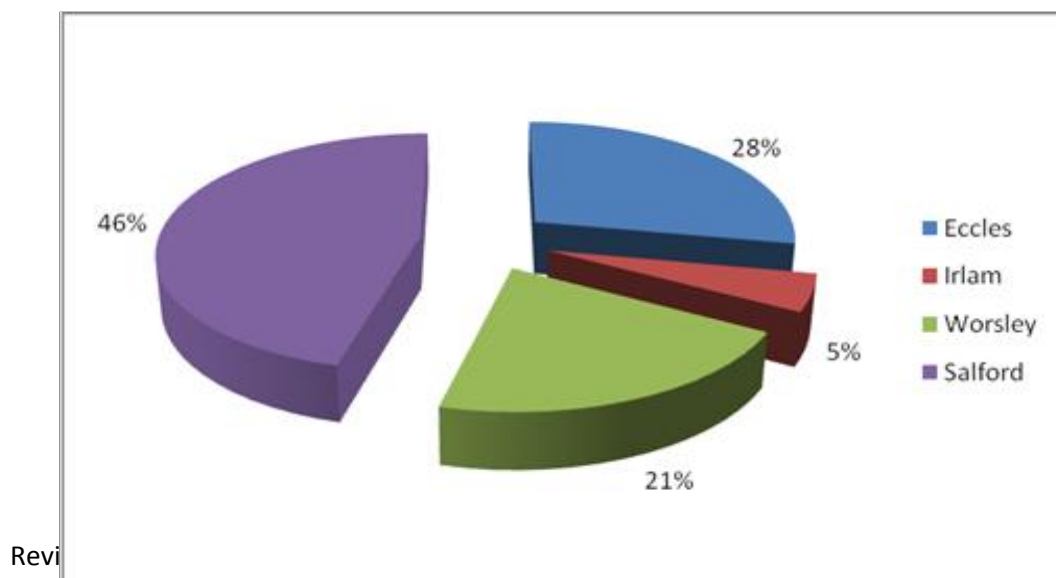
6.2.1 Consistency

The ‘threat’ of a sanction underpinning conditionality appears often to be as significant in terms of impact on as the imposition of a sanction but there appears to be inconsistency in the decision making process across the city as seen below.

(v) Sanction related activity in Salford’s JCP offices, Oct 2012 – Nov 2013.



(vi) Breakdown of adverse JSA sanctions by Salford JCP offices, Oct 2012 – Nov 2013.



JCP provided average register sizes (numbers signing on for benefit) for the operational year April 2013-March 2014 for each of the offices serving Salford residents.

These are; Eccles 2141, Irlam 430, Salford 2922, Worsley 1660.

6.2.2 Proportionality

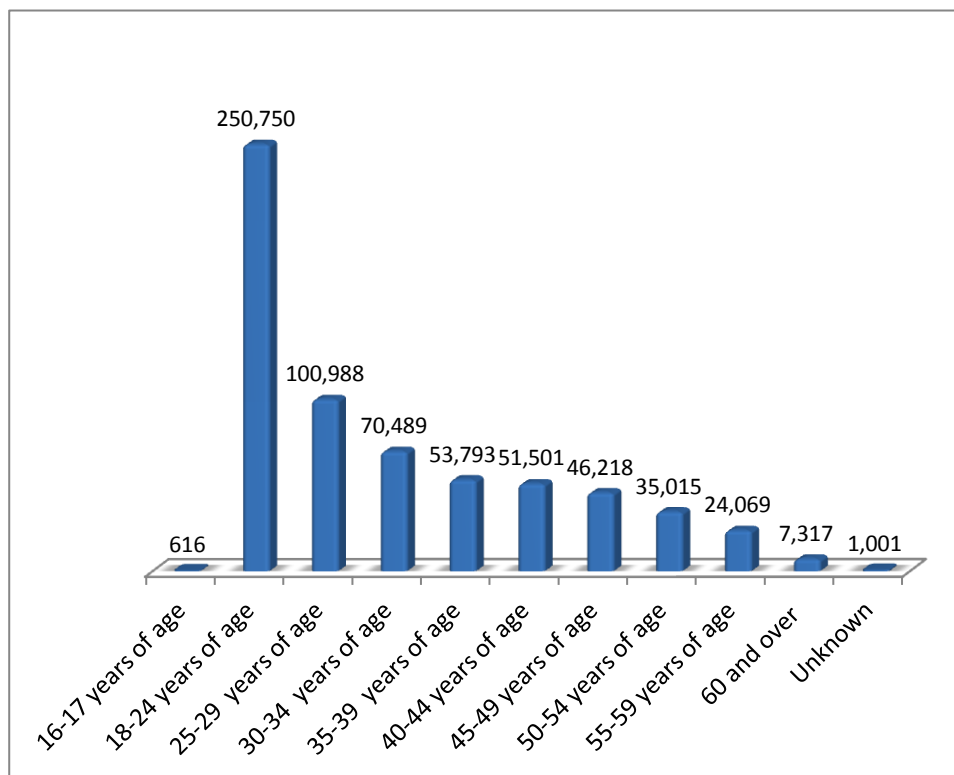
During the course of this review, a number of agencies questioned whether jobseeker's agreements and claimant commitments were **'personalised'** as DWP state is the intention and do accurately reflect the circumstances and abilities of claimants. For example, by reducing the number of job seeking steps per fortnight where a claimant had caring responsibilities or a significant health issue.

Case studies show that many residents appear to have great difficulty keeping to their agreements as a result of some of these issues and these tended to be the claimants who received an adverse sanction decision. Consequently, sanctions may **impact disproportionately on specific groups of claimants**, particularly those with disabilities, younger claimants and those with language barriers although we cannot access local data to confirm this.

National data shows that **young people aged 18-24** are the main group within the claimant population who are affected by sanctions.

(vii) Sanctions by age, GB 2012- 2013.

The age group seeing the highest number of sanctions is the 18-24 year olds, with 40% of all sanctions, followed by 25-29 year old with 16% of all sanctions.



Evidence from Connexions shows in Salford, a rising number of **young people** who are choosing not to, or are unable to continue claiming JSA due to difficulties with conditionality and sanctions. This potentially leaves them with no income and if they are living independently as tenants, difficulty claiming help with housing and council tax.

Figures from **Connexions show that from April 2014 only 40% of the 18-24 year olds** in Salford registered with the service were in receipt of benefits.

There are a number of implications for young people who 'drop out' of JSA and disengage from JCP. We do not have a clear picture of how these young people are surviving without an income. Furthermore, they may be further removed from opportunities which come through referral from JCP or who are barred from undertaking certain provision as no longer on a 'qualifying benefit'.

The disengagement of young benefit claimants from the system has been recognised as an issue nationally. The Big Lottery is currently funding 21 partner areas with investment of £108 million through the '**Talent Match**' programme to support under 21's who are disengaged from the benefits system and labour market. In GM, Greater Manchester Centre for Voluntary Organisation is the lead organisation with a budget of £9,554,906.

<http://www.biglotteryfund.org.uk/talentmatch>

Of particular concern is a report from the Council's Leaving Care team who are witnessing **young care leavers** experiencing difficulties meeting their conditionality commitments leading to sanctions being imposed;

'Financial support is available to young people known to our service up to the age of 18. Once they reach their 18th birthday, many are required to claim JSA if they are unemployed. We have had several examples of young people being unable to meet their Jobcentre Agreement/Claimant Commitment requirements and this has resulted in both short term & long term sanctions. The majority of the young people known to Next Step are living independently once they reach 18 years of age. The onset of sanctions has hit this vulnerable group particularly hard, leading to young people running up debts, being unable to fund their utility bills/paying for gas & electricity & being in desperate need for food parcels.....this is often due to the multiple social barriers they face in their lives.'

A significant number of case studies have also raised issues about the fairness of some adverse sanction decisions particularly when imposed on vulnerable claimants or where the 'offence' seems relatively minor in proportion to the severity of the punishment. The following are examples submitted by agencies in Salford.

Example case studies from Salford claimants.

George has a learning disability and lives in temporary accommodation. ESA was stopped following a medical assessment and he claimed JSA. He admits struggling to stick to his JSA agreement, he struggles to log onto DWP Universal Jobmatch so his Job Searches are not evidenced. He told his advisor at JCP that he is struggling but he was still sanctioned for 4 weeks.

Lee has significant mental health problems and was referred to Work Programme. He turned up a day late to his initial interview as he got dates mixed up. He was then sanctioned. He was told if he re-engaged the sanction would be lifted. He subsequently attended the Work Programme appointment but asked to be seen in a private room due to his anxiety and panic attacks. The provider refused to do this so he left in a distressed state and the sanction continued.

Carl had an appointment at JCP. He was running late due to problem with public transport, contacted the Jobcentre to explain he would be 10 mins late and was told that it was ok and to just get there as soon as he could. When he did get to the office, he was informed he wouldn't be seen and would be sanctioned.

Dionne received a 13 week sanction for not attending an interview at JCP. She attended the office on the Friday but as the adviser was really busy she was told to come back on Monday. When the adviser looked at her appointments and saw she was booked up, she was asked to return on the Tuesday instead. The adviser changed it on her appointment card to Tuesday. She then attended the office on Tuesday and was told that she was being sanctioned because she had not come on the Monday. She showed the adviser that the day had been written down on her card but this was not accepted.

Paul had signed on for only the second time and had been told that he had not complied with his jobseekers agreement due to failing to join the Universal Job Match site. He was told to phone back on Monday to find out whether benefit would be paid. Paul told the Advisor that he had joined 6 agencies and produced evidence to prove it but the advisor explained that this was irrelevant, by not joining Universal Jobmatch; this meant he had not complied with the agreement.

The client explained he had informed the Adviser two weeks before that his home computer was broken and needed to be fixed with a back up disk which was being posted (had a receipt to prove this). He has also been short listed in a vacancy through using these other sites so genuinely felt he had done all he could to look for work. Sanctioned for 4weeks.

7. Impact on individual claimants and their families

It is clear that the conditionality and sanctions regime is leading to a myriad of problems affecting both claimants and their families and a host of agencies in the city. A review of the evidence collated through case studies and reports from service managers place the main impacts for claimants under four main headings; **finance, health and well being, skills, training and employability and offending.**

7.1 Financial impacts

It is clear that even a fixed term lower level sanction of 4 weeks duration significantly impacts on individuals and families for whom surviving on means tested benefits means they are already likely to be struggling to meet essential costs. A **'financial shock'** such as a sanction causes both immediate and longer term impact as most people do not have the means to save so have no safety net. This presents an emergency need for money to buy food, pay for heating and essential travel costs.

Example case study of Salford Claimant

Tony is a 19 year old Care Leaver; he can hardly read or write and cannot understand conditionality and sanctions. He missed his first signing on appointment with his JCP adviser because he was at the hospital for the birth of his daughter. He had an appointment with his advisor two days later and advised them of his situation. He was told that he probably wouldn't be sanctioned. The following week he received a letter advising he'd been sanctioned for 4 weeks. Tony was very distressed at not receiving his payment. His Next Steps support worker submitted an appeal letter which was accepted.

Children leaving care have had difficult backgrounds and chaotic lifestyles. Most are living independently for the first time, have no parental care and their financial care from the Council has ended. They are more likely to fail in their first tenancies and find it difficult to cope with the conditionality requirements.

'Sanctions leave vulnerable households already in crisis with little or no money for essential items; unable to pay household bills including rent and utilities (adding to debt), taking out costly loans (adding further to debt and cycle of loans), adding to family stress and ability to cope. Other households have previously been coping financially but as a result of sanctions are now finding themselves in hardship or crisis and will now require additional costly support.'

(Salford Discretionary Support Scheme).

Following the government's decision to abolish the **Social Fund** from April 2013 which included Crisis Loans, there are extremely limited options for people to access money in an emergency, including when a sanction is imposed. Salford has three affordable credit providers; **Salford Credit Union, Moneyline and My Home Finance** however, none is able to make an immediate cash loan to residents. For example, to access a credit union loan currently, a member must have saved for 13 weeks.

Salford Credit Union is working on upgrading processes to offer small loans without the current need for saving. It is hoped a product may be available Autumn 2014.

Salford Discretionary Support Scheme (SDSS) does not provide cash, although it does provide emergency assistance for residents in crisis or hardship for essentials including; fuel payments, food parcels, clothing, white goods and furniture and assistance with Council Tax. SDSS is funded through a DWP grant until March 2015, From April 2015 the grant will be scrapped, and councils will be expected to fund the scheme from general funds.

Evidence from **Salford Central Foodbank shows 62% of referrals in 2014 are made by Salford residents who have received a benefit sanction.**

Many benefit claimants will already be in debt or rent arrears for other reasons including Welfare Reform cuts so a sanction can exacerbate existing problems and cause new issues including problems with meeting rent and council tax liabilities.

Data from Salford Discretionary Support Scheme provides an illustration of the financial hardship caused by sanctions and the widespread nature of impacts on those affected ;

'Data for Immediate Emergency Assistance for month of April 2014, shows 67 (20%) out of 332 applications was 'Benefits Sanctions'. Clients are worried about how they can afford to pay essential items including: rent, loans, food, gas, electric, travel to hospital and school'

7.1.1 Help with rent and council tax payments

For tenants, the financial impact goes further as a JSA or ESA sanction can disrupt payments of **Housing Benefit and Council Tax Reduction**. Housing Benefit, within Salford Council report that daily files are received from the DWP (known as ATLAS notifications). Depending on what the information tells them, it either automatically updates the benefit records by either suspending entitlement to Housing Benefit and/ or produces a task which is passed to an assessor to action.

The claim is then checked against the Customer Information System (CIS)(a direct link with the DWP data) and where possible the claim is put back into payment. Where it is not possible to do this due to a lack of information about the claimants circumstances the customer is contacted to provide further clarification and given 1 calendar month to provide the information . **DWP does not identify that the reason for contacting HB is a claimant has received a sanction.**

The claim is monitored during the 1 month period to check if the information has been provided and if there are any updates on CIS. Where the information is provided this information is passed to the assessor dealing with the case , to assess and action accordingly. Delays in processing the changes can lead to rent arrears being accrued.

Where the customer does not respond to the request for further information after the month has lapsed, the claim is then cancelled and a letter confirming this is issued to the customer. This process can lead to claimants accruing significant **rent arrears** as a result of a sanction making residents also vulnerable to **homelessness**.

7.1.2 Personal Debt

There is also likely to be a clear link with sanctions and an increase in **personal debt** for residents. This means that although a sanction can be time limited, the effects of the sudden loss of income may impact in the much longer term.

Due to the difficulty those on a low income face accessing affordable credit in an emergency, there is a risk that sanctioned claimants will turn to Pay Day Lenders or illegal money lenders or **'loan sharks'**. We know there are an estimated **310,000 households nationally borrowing from loan sharks** who quickly trap borrowers into spiralling debt.

Few loan sharks offer paperwork so borrowers do not know how much they are repaying and will often be forced to pay back far and above what they have borrowed and can afford. Loan sharks often resort to the most extreme methods such as violence, threats or intimidation to pressure people into paying loans back.

Due to concern from GMP about under reporting of this crime in Salford and emerging evidence in this report, the Financial Inclusion Practitioner's Group and the Illegal Money Lending Team have launched a new campaign to highlight the dangers of loan sharks and to promote affordable credit.

7.2 Health and well being

7.2.1 Well being

Whilst the immediate impact of an adverse sanction decision is financial hardship, case studies illustrate the effects on health and well being which **meeting increasingly stringent conditionality** is placing on many claimants some of whom have existing health problems, particularly mental health issues or are experiencing other problems including domestic violence, homelessness, and drug and alcohol issues.

I am a lone parent with children aged 15 years and 18 months old. I attended a work focused interview on 7th April 2014....I informed the advisor that I had been receiving medication for depression but stopped. I told her that I would be seeking help from my GP to readdress this as I have developed social anxiety and find it difficult to go far from home I have self-referred to Salford Self-Help services and have an initial assessment booked for next Tuesday, to engage with CBT therapy.

I have received another letter from DWP informing me that I must attend another work focused interview 10 weeks after I first attended. I called DWP this morning to ask why I was given an appointment to attend 10 weeks after my last appointment and was told it was mandatory now and that I could be expected to attend every week. I was told this was a decision that was out of the personal advisor's hands. Due to this conversation I have been physically sick and experiencing high levels of anxiety' (Email to Welfare Rights Advice Line, June 2014.)

Salford Discretionary Scheme describe that many of those who apply for support report feeling embarrassed and degraded by the whole DWP process which causes a great deal of stress.

One claimant stated he'd been told **"You haven't been responsible as a father by not looking for enough jobs, you have children to support"** when he believed he had done everything he could to find a job.

7.2.2 Health

A number of case studies highlighted the negative effect on mental health and recovery when someone is sanctioned;

'We have people who have received a sanction which has made their depression and anxiety worse. The sanction may have been imposed because they failed to attend an appointment which can happen with mental health issues due to sleep problems, anxiety, affects of medication etc. I have had to refer one person on to the alcohol services as he started to drink heavily again after a period of sobriety'

(Start in Salford).

Single male refugee on JSA, difficulties with English and ICT.

11.10.13 JSA sanctioned because client did not register with Universal Job Match. Payments were not reinstated until 22.11.13.

In November 2013 client had second sick note and JCP adviser told him he could not remain on JSA, he had to stop claim and put in a claim for ESA. His income stopped again while waiting for ESA application to be processed.

Client's **ESA** stopped 10.01.14 as he failed to return ESA50 form on time. Client applied for reconsideration and ESA was not restarted in February 2014.

Financial impacts

Client received help from Supported Tenancies worker to access Salford Discretionary Support Scheme (SDSS) on several occasions:

- 25.10.13 - Food parcel & Gas/Electric value £20
- 7.11.13 – Gas/ Electric value £40 & referred to charity for food parcel
- 18.11.13 Referred to charity for food parcel
- 6.12.13 – Gas/ Electric value £80 & referred to charity for food parcel
- 20.12.13 - Referred to charity for food parcel

Health impacts

Client initially presented with low level medical problems which he could self manage (kidney infection and haemorrhoids).

Following sanction and subsequent benefit problems, client developed symptoms of depression, not sleeping at night and staying in bed during the day, not responding to letters or performing tasks which had been agreed with his support worker.

Client started to smoke again after considerable efforts made to stop and felt so desperate, on several occasions threatened to kill himself requiring his support worker to accompany him to access support for his mental health.

(Case study from Supported Tenancies Service, SCC).

Another case study submitted by a Supported Tenancy worker describes the far reaching health impacts of a benefit sanction for claimants but also for their **dependent children** who will similarly feel the multiple effects of benefit sanctions;

Couple with children aged 16, 15 and 13.

Claimant has been unable to learn English due to a learning disability and received a 4 week sanction. Her Housing Benefit stopped and the family survived on Child Benefit and Child Tax Credit as they didn't know about hardship payments or how to appeal.

The family were issued with a Notice Seeking Possession because they didn't understand the sanction would affect their Housing Benefit so did not complete the necessary forms. Tenant remains in rent arrears and has accumulated other debts as a result trying to get back on track.

As the family were unable to afford to heat their home it developed damp problems, the youngest child's asthma deteriorated and she began to miss school.

7.3 Skills, Training and Employability

7.3.1 The Counterproductive effects of Conditionality

Whilst the financial and health impacts highlighted above will clearly interfere with a person's ability to undertake training and find employment, there are also **direct effects** on skills development, confidence building, work experience and employability as a result of conditionality and sanctions which appear to be counterproductive to the aims of the regime.

Salford College explain that for some learners, meeting conditionality can disrupt their progression on a course of learning due to the inflexible requirements of their claimant commitment underpinned by a threat of a sanction. This comment is made in relation to an ESOL learner;

'One learner has to attend Job Centre every day owing to length of claim or risk sanctions.

This impacts on attendance in class, with consequent effect on language learning and achievement longer term. In some cases language barriers make it difficult for our learners to understand the sanctions and consequence of sanction. Learners are certainly stressed by the process and this affects learning, it puts demands on the learner mentor and class teachers'.

A case study submitted by **The Broughton Trust** illustrates how the fixed term nature of sanctions can impact residents who have subsequently engaged on a work placement or a volunteering opportunity, which could put at risk their ability to sustain the placement and develop their skills.

John started on a work placement arranged by JCP but had no benefit for the first 2 weeks due to a sanction which had been applied previously.

He struggled to attend the placement as he had no money for gas/electric, couldn't launder his clothes or shower. He ran out of money for food and was eventually forced to ask someone on the placement he made friends with if could be borrow a small amount of money as he was so hungry.

He reported feeling 'belittled and degraded' but had no other option and knew he had to continue to attend or face a second sanction.

Evidence collated from Salford's Work Clubs highlights most clearly how more stringent conditionality and the threat of sanctions can have **counterproductive effects** for those who require support developing their ICT skills, writing a CV and securing suitable employment is described below;

'Some individuals are thinking more about avoiding sanctions than they are about looking for jobs to the detriment to being successful. It is therefore more about the quantity of jobs applied for rather than the quality. Some people are submitting poor quality applications (for example not including appropriate cover letters and not adjusting their CV to suit a particular job) just so that they can say they have reached their quota for the day.'

'The threat of sanctions through not properly completing activity logs is adding to the distractions. There seems to no clear written guidelines from DWP on how a claimant should be using the Universal Job Match system to minimise the possibility of facing sanctions.'

(Go ON Coordinator, Salford City Council).

Client presented at **The Broughton Trust** on 20th December 2013 in a distressed state following an interview at Salford JCP office having attended to sign on for the second time as had previously been on Income Support until her child turned 5 and she had to claim Jobseeker's Allowance.

She received a 4 week sanction for not signing up to Universal Job match despite having signed up to 6 employment agencies and completed a CV.

Following this incident, she began to face further problems with her adviser relating to her placement at a local Children's Centre where she was working hard to gain a play worker qualification. She describes being effectively forced to make the decision to stop this placement as her JCP adviser said she needed to concentrate on job searching.

The client reported that the stress of dealing with the inflexibility of her advisor become too much for her. She really wants a job but is now so worried about losing her JSA. She took a sick note in from her GP who has treated her for depression for many years. The advisor informed her that she was unable to accept her sick note unless she changes to ESA and claims as incapable of work.

7.4 Offending

The Operations Manager at Salford **Probation Service** describes that due to the chaotic lifestyles that their clients lead, meeting DWP conditionality is extremely challenging with impacts on the individual but also wider reaching consequences in terms of offending behaviour;

'there can be cases of increased anxiety when an individual may believe they have a genuine case where an appointment has been missed. It would appear with the time frames for decisions to be made can further compound what can be perceived as a genuine set of circumstances.'

Also, that there may be a link between benefit sanctions and domestic abuse;

'Lack of finances can in some instances put additional strain on relationships and be a cause of heightened conflict' and that in general terms sanctions, 'ultimately increase the risks of re-offending.'

Furthermore it appears that Probation clients who are struggling to keep up with DWP conditionality are often making the choice to 'drop out' of the system which has consequences;

'It would appear that claimants become frustrated with the process and in turn make a conscious decision to forgo their benefits. In that they "rather not claim"; which can result in increasing offending behaviour. Thus in turn impacts on the wider communities.'

8. Impacts on agencies & partner organisations

8.1 Recording Sanctions

It became apparent through the research for this report that many of the organisations contacted are not systematically **recording** the fact that they are working with a resident who has been sanctioned. The exceptions to this include WRADAS, SDSS, Salford Central Foodbank (The Trussell Trust). Most agencies contacted could relate examples of cases involving sanctioned residents. This is a weakness in terms of understanding the full impact and developing a response.

For example, Children's Services Locality teams were asked about their experiences of supporting families in this situation. Anecdotally, workers were able to cite examples which illustrate how services may be picking up the consequences (and costs) of sanctions without recognising the cause.

'Single dad from Eccles with two sons ages 16 and 17 received a 3 month JSA sanction and lost appeal so no income except Child Tax Credit and Child Benefit which he says is £55 a week. Needs help with food bank, application for hardship fund. 16 year old will need to walk to hospital appointments unless family support worker can take him and will need to walk to any education/training opportunity offered as will not be given any money to get transport etc.'

Similarly, **City West Housing Trust** were not recording when tenants had been sanctioned but since being approached to contribute to this report, has decided to record this data from now on;

'Sanctions are having an impact on customers making their rent payments although at this stage as an organisation we are unable to directly quantify the finance impacts to City'

West. Rent arrears are increasing due to customers being unable to make the payments required due to the sanction being in place.

The knock on effect of sanctions is that housing benefit claims are being suspended. This inevitably creates more work for our Rent Officers; in terms of home visits, phone calls, unpaid rent etc. Sanctioned tenants often require more intense support in terms of money advice. Our Money Advice Service has limited numbers and supporting sanctioned tenants is resource consuming.

As a housing provider it has been highlighted that the recording of sanction impacts can be improved further to monitor the impacts on both our business and our customers.'

8.2 Dealing with demand – agencies picking up the costs of conditionality and sanctions

In the absence of formal recording, a consistent theme from agencies in the city approached for this report is the scale of the impact on support services who are **dealing with the impact** of sanctions. This illustrates not only the human cost to the individual and family, but also the financial cost to agencies and the additional demand on resources.

8.2.1 Financial impacts

A number of services report dealing with residents in crisis requiring immediate financial assistance, often with limited or reducing resources. For those services, it is clear that sanctions have a ripple effect and that costs are being pushed 'upstream' in the system.

Sanctions are not addressing root cause issues and result in upstream costs for other already stretched services, including Salford Discretionary Support Scheme and our partners; e.g. Next Steps After Care Team, Welfare Rights and Debt Advice, Social workers, Emergency Duty Team (Social Workers after hours), Landlords, Judicial services, 3rd sector organisations. Demand and workloads continue to increase and staff numbers have reduced. Stress can be an issue for staff as the role involves; responsibility for recognising and referring safeguarding concerns, dealing with sanctioned clients who are vulnerable, in distress, aggressive, abusive. Some sanctioned clients have said that they have no option but to commit crime.

(Salford Discretionary Support Scheme).

The Leaving Care team raise the additional costs which their service is incurring as a result of the sanctions regime where in a small number of cases they have exhausted their client's entitlement of immediate assistance from the Salford Discretionary Support Scheme. This is an issue which the group believes is of concern and requires further exploration, the question of where residents turn to obtain money in an emergency;

'Next Step has incurred additional costs in funding food parcels for young people unable to get support through local food banks. Furthermore, we have had to use discretionary monies to support young people; otherwise they would have no means to cover bills such as electric, gas and

other food costs. There is also an increasing vulnerability and exposure to the loan sharks and other high interest loans.'

8.2.2 Well being and Health

In respect of health impacts, Dr Tom Tasker, Clinical Lead for Mental Health, Clinical Commissioning Group confirms the increase in GP workload in the city as a result of Welfare Reform including sanctions;

'Anecdotally we have seen increasing numbers of patients coming through over the last 2-3 years with mental health problems exacerbated by the changes to the benefit system.'

For some people this has led to a deterioration in an existing mental health problem and for others, they have presented with a new onset mental health illness, usually depression/anxiety. This has obviously led to an increase in GP workload with significant numbers being referred on to our psychological therapy services.'

MIND nationally has reported a 50% rise in calls to their helpline and a 100% rise in money related calls (summer 2013). The Samaritans also report 1 in 6 of calls to them is about escalating financial pressure.

Recent discussions with GMP around a proposed city wide **loan shark campaign** have also raised the mental health impacts of financial worries. A recent example given involved a Salford single resident who had borrowed £50 from alleged illegal money lenders living on the same estate. They were demanding £200 repayment which the person was unable to pay. This was disclosed to staff at a local mental health unit where the person had been admitted due to an attempt to take their own life. This does not appear to be an isolated incident as the Council's Debt Advice Service report several similar cases coming through their referral systems.

8.2.3 Skills, Training and Employability

Salford College, community learning providers, Salford Volunteer Centre and Work Clubs have all raised similar issues arising from claimants being **'mandated'** to attend their services locally by JCP as part of their conditionality. DWP does not commission or provide funding for these services and has not approached them to agree a service level agreement.

Salford Volunteer Centre has seen an increased number of residents referred by Jobcentre advisers attending their drop in surgeries 'under duress' claiming they don't want to volunteer or are too poorly to but feel forced as they have been threatened with benefit sanctions if they don't turn up. Approximately 50% of attendees at this drop in are now JCP referred. The organisation has subsequently signed up to a position statement with other GM centres against 'mandatory volunteering'.

'This puts our Volunteer Centre staff in a difficult position – they are here to support and promote positive volunteering but this is neither positive for the individual, the organisation they might be placed with to volunteer, nor indeed the reputation of volunteering. Volunteering is about time freely given and is driven by a variety of motivations, but if an individual is forced to be there it undermines this basic principle.'

In respect of the issues raised around volunteering, Salford CVS explains;

'Involving volunteers costs an organisation approximately £350 per volunteer and takes a great deal of planning...time and money that comes out of the charity's resources. If an individual is forced to go along this soon becomes apparent to the organisation and they don't take them on or if they do in many cases the person isn't committed or can't attend due to their health and the volunteering comes to an end – this is a huge impact on the organisation's resources and on our reputation.' See Appendix 6 Position statement from Volunteer Centres and Voluntary Sector.

Salford Council's Go On Coordinator echoes this;

'At the Irlam and Little Hulton workclubs users come with letters indicating that attendance is mandatory. When queried with DWP the explanation is that they are recognised services registered on their database. I have also been told that this occurs at other work clubs.'

Some of these claimants are ICT proficient so are attending due to being mandated under threat of a sanction when in fact, they could do this without support at home.

Not only does the **mandation** of benefit claimants into learning provision fundamentally change the nature of this relationship between learner and tutor, a number of negative consequences for both learners and providers have emerged. The following issues of concern have been raised by the **Salford Community Learning Trust** due to the ability of JCP to mandate claimants to learning provision including ESOL under 'skills conditionality'.

Performance indicators are of critical importance to learning providers as these will be taken into account in future funding allocations.

Retention

- With the drive to move out of work claimants into employment, the result is learners failing to complete their courses which impacts on a providers retention rates- a key indicator of performance.
- Resources are limited and demand for ESOL courses far exceeds supply. It is a poor use of decreasing resources to offer a place to a student who may be unlikely to complete the programme of study.

Attendance

- Attendance on courses by students who are not self motivated because they have been mandated by DWP to attend is often significantly poorer than courses where students have actively engaged in learning- another key indicator of performance.
- Sanctioned students often do not have the financial means to travel to classes or pay for childcare.

Achievement

- Achievement levels for mandated learners are lower than the norm due to poor attendance, early withdrawal and low motivation, another key indicator of performance for the provider.

Assessment and Learning aims

- Currently learning providers are still able to carry out initial assessment of the learner's abilities and starting point from which a learning plan and aims are set, this is currently carried out by qualified and experienced teaching staff. Plans for unqualified DWP staff to carry out assessment and set a starting point, learning outcome and timeframe for achievement are likely to result in considerable issues for the provider around inconsistency of approach and unachievable or inappropriate targets. This will further impact on the providers key performance indicators.

Learner Impact

- The relationship between tutor and student is fundamentally changed. The tutor is expected to inform DWP of any absence of mandated learners, which may result in the sanctioning of that individual. If a learner is sanctioned the tutor then has to deal with the consequences of the sanction, for example homelessness, hunger, no money for bus fares or childcare, this results in more absences and additional sanctions. The student is then trapped in a vicious cycle.
- Tutors have observed that the majority of mandated learners are pre-entry (have English language skills below that of a 5 year old) and that many do not understand what they have been asked to do by their JCP adviser nor the implications of non attendance

ESOL

- There are competing demands for ESOL provision with employability just one amongst many areas where residents need to develop their language skills, for example community cohesion, accessing and understanding health services and supporting their children's education are equally as important to city partners

The Trust which includes representation from Salford College concludes;

'At this stage the impact of mandating learners and sanctions are supported by anecdotal evidence only. As we are now coming to the end of the academic year we will be able to look at retention and achievement data in more detail and should be able to report back with more quantifiable data and estimated cost to the sector.'

In terms of impacts on services working with particularly vulnerable residents, anecdotal evidence suggests that fear of falling foul of stringent conditionality may be acting as a barrier when encouraging claimants to take up learning and skills opportunities.

For example, Next Step working with young care leavers;;

'this is a constant worry for many of the young people known to our service. Some are reluctant to engage in temporary provision; they are concerned about the impact on their benefits & attending their appointments (this is despite our reassurance that they can often have their signing on times adjusted).'

(Next Step, Care Leaver's Team).

8.2.4 Offending

The National Probation Service works with high risk and complex offenders. The service has a number of volunteers operating from Drop-in centres across Greater Manchester providing support with benefit issues and employment including, benefit form filling, phone advocacy, attending appointments etc. The Salford Operations Manager comments on the increased demand sanctions are having on the drop ins;

'Numerous amounts of cases involve sanctioning because the clients we work with lead chaotic lifestyles which mean they miss appointments or do not provide evidence for missed appointments in the designated time frame.'

This can result in a number of unplanned office appointments for the service which can be a strain on worker and volunteer time. The claimant can be frustrated further when their named worker is not immediately available to see them in that they perceive as crisis situation and want immediate help which is not always possible due to capacity and existing commitments.

The Probation Service also highlights an important issue for them and this is likely to apply to many other agencies within Salford;

'A Sanction (benefits) is not our area of expertise therefore practitioner staff try and keep abreast of all developments and share the knowledge across the peer group. This is with a view to reduce the level anxiety for the claimant to signpost and or assist them to deal with the query.'

The national press has cited a rise in shoplifting offences which will be leading to additional demand on resources and a suggested link with poverty caused by the wider cuts to benefits;

(viii) National Crime Survey (CSEW) & police recorded crime: key points & trends to May 2014

Crimes against households & resident adults	7.3m	14% decrease (on previous year) (Lowest in the history of the survey)
Police recorded offences	3.7m	Same as last year

Victim-based crime:	1% decrease overall	1% decrease overall as a result of decreases in all major areas <u>apart from</u> : Sexual offences up 20% Shoplifting up 7%
Other crimes against society	398,662	1% decrease
Fraud offences	211,344	17% volume increase

Source: Crime Survey for England & Wales (CSEW) Year ending Mar 2014, published 17 July 2014, ONS

Earlier this year, Northumbria's Police and Crime Commissioner, Vera Baird blamed benefit cuts for a rise in shoplifting by women, saying there was growing evidence that women were being driven to steal nappies and food because they were getting fewer benefits.

Referring to crime figures in the North-East, the senior barrister declared: 'At the end of last year, it was apparent that people were starting to steal items they could once afford.

'There's been growing evidence to suggest this is due to the impact of both poverty and welfare reform, with people stealing what they were once able to take for granted and just go out and buy.

'The growth in the number of first-time women shoplifting offenders would suggest it's affecting the poorer women in our communities, those who are experiencing the impact of the welfare reforms.'

It is clear that sanctions are likely to exacerbate this situation and as a result of research undertaken for this report, Salford's Lead from National Probation Service is interested in discussing these issues further.

9. Conclusion

In conclusion, it is clear from the research undertaken for this report that many local agencies are picking up the human and financial cost of DWP conditionality and sanctions. Matthew Oakley, in his July 2014 ***Independent review of the operation of Jobseeker's Allowance sanctions validated by the Jobseekers Act 2013*** also points to the **significant costs to DWP itself.**

'The vast majority of sanctions that are covered by the remit of this Review are at the lowest level of sanctions. In 2013' around 1,015,000 referrals were made to decision makers for potential sanctions for JSA claimants on mandatory back to work schemes. Around 917,000 (90%) of these came from the Work Programme. The claimant's money has not been stopped at this point.

Of these referrals, 291,000 (28.7%) were upheld as "sanction applied" (finding that the claimant had not complied with the requirements they had agreed to). In the remainder of cases, the

decision was: to not apply a sanction (24.0%); reserved (6.7%); cancelled (40.6%).² Overall, that means that 71.3% of those referred for a sanction decision did not have their benefit stopped.

A decision to apply a sanction after referral from mandatory back to work schemes accounted for 33.4% of all JSA decisions to apply a sanction in the year to December 2013. This has increased from 23% of all such decisions in the year to December 2012.

Of those decisions to apply a sanction, a significant proportion are subsequently reviewed at the claimant's request. The proportion varies by programme. For the Work Programme in 2013, 33% of initially adverse decisions were reviewed. Of those decisions that are reviewed, depending on the programme, between 43% and 53% have the decision to apply a sanction overturned.

This means that while a large number of sanction referrals are made, a relatively small number of claimants are actually sanctioned. In 2013, for the Work Programme, once reviews and appeals have been accounted for, just 28.7% of sanction referrals ultimately resulted in a decision to apply a sanction.

Given the costs associated with running the system of decision making, reconsideration, appeals and hardship the disparity between those being referred for a sanction and those who are actually sanctioned results in a significant cost to the State. "

10. Recommendations

A. Communication issues

There is inadequate communication around conditionality and sanctions at a number of key stages during the claimant journey which means that residents don't always understand what is expected of them. This leads to sanctions being both applied inappropriately and then without adequate notification/explanation.

The task group identified a number of '**pinch points**' where evidence highlighted current inadequacies in communication, particularly the **steps a claimant needs to take to meet their claimant commitment and prevent being sanctioned, communicating when a sanction has been applied and the reasons why and communicating rights of appeal and rights to hardship payments.**

Whilst the task group was preparing this report, the Oakley review of communications around sanctions was published followed by the government's response which accepts all of Oakley's recommendations on communication. Several of these overlapped with those identified through this work although the government has not accepted all of Oakley's recommendations.

We look forward to the progress report at the end of this year and recommend that the final report for the Skills and Work Board evaluates whether communications do improve. The group expresses concern about the continued impact on claimants and agencies in the meantime.

The following are our recommendations on communications from the task group are those not covered by the Oakley recommendations and recommendations for local action.

1. **Process by which the JCP adviser and claimant agree the claimant commitment/Jobseeker's Agreement initially and subsequently at review.**
2. We want to support improvements in the communications which lead up to a claimant signing their agreement. This should be **adequate discussion to understand the personal circumstances of the claimant** and how this may impact on job seeking activity to ensure the agreement contains reasonable and realistic job seeking steps. For example, health problems, caring responsibilities, language barriers. It should also be clearly communicated to the claimant exactly what is expected of them with regard to keeping to their agreement.
3. We would like to recommend a local agreement is put in place whereby Salford JCP advisers agree to **signpost claimants for independent advice** about the contents of their claimant commitment prior to signing to ensure that the agreement is personalised and that the claimant understands what is expected of them. Also, were they to face difficulties with sanctions, that claimants are aware of their rights to hardship payments and mandatory reconsideration/appeal. We would like to explore how this advice could be provided by agencies recognising the resource implications involved which may include workshops for residents, a leaflet explaining how to understand your claimant commitment etc working closely with partner agencies and Work Clubs to devise and develop.

2. **When a 'doubt' arises on a claim**, claimants need to be informed immediately and given opportunity to provide an explanation before this is referred to a decision maker and if this accepted, be given a warning as opposed to the wheels being set in motion for a sanction decision. This system may also constitute a cost saving for the DWP in terms of reduced administration costs.
3. **When an adverse sanction decision has been made**, we want to ensure claimants are informed of; the reason for the sanction, the impact it will have financially, their right of appeal, access to hardship payments, what they need to in order to prevent an open ended sanction, signposting to Salford Discretionary Support Service (for emergency help) and other appropriate support agencies. Communications should be streamlined to ensure the claimant is made aware of the proposed sanction in advance, so they have an opportunity to appeal, make plans and are not left in a crisis situation.
 - We want JCP advisers to hand out the **APPEAL your SANCTION** leaflet in Salford offices to explain appeal rights and the help available locally.
 - **We want to explore the opportunity to facilitate both JCP and council staff and decision makers to 'Spend A Day In My Shoes' in order to deepen understanding on both sides of the myriad affects of sanctions on vulnerable individuals, families and impact on services. This could involve time in SDSS or a food bank.**
4. **Salford Discretionary Support service.** We want to request that JCP report the number of referrals to the Salford Discretionary Support service to the Financial Inclusion Practitioner's Group on an agreed schedule and the results are shared with the FIGP.
5. **Housing Benefit notifications.** We appreciate that it may be difficult to influence notifications that JCP send to HB as it is not local JCP offices that send them, rather the centralised benefit delivery centres via the ATLAS notice. On advice from HB, we recommend that locally, the Council could explore adding to the HB information request letters and cancellation letters which it sends out in these circumstances to seek improvements to the current wording. This could offer advice to claimants who have received a sanction; explain their right of appeal and signpost them to further advice and support. The sanction leaflet WRADAS produced could be sent out by the council with these notifications although there is a cost implication. Similarly, information could be added to the HB web pages.

B. Training/awareness for workers involved in the conditionality and sanctions regime

1. Whilst the group recognises the pressures on JCP staff locally, from the case studies provided for this report, the task group wants DWP to provide **clarification on the training JCP advisers receive** in terms of awareness of the needs of particularly vulnerable groups. This may include mental health, awareness, an understanding of the care system and care leavers, needs of carers and residents who need support to keep their family or home, or

overcome addictions, awareness of the wider impacts of financial exclusion, basic skills screening.

2. The task group wants a piece of joint work to be undertaken between the Financial Inclusion Practitioner's Group and JCP in Salford to agree the topics which should be included, identify who could provide the expertise and the Financial Inclusion Practitioner's group to make an offer to provide **basic awareness training** on the agreed topics such as basic skills screening, mental health awareness, loan shark awareness etc in each JCP office in the city. The group recognises that there is a gap in membership of the working group currently making it more difficult to take this and other recommendations forward. This is the absence of a representative from a frontline JCP adviser role who the group believes could add enormous value.
3. The group recommends that due to the wide ranging impacts of DWP's conditionality and sanctions regime, **all frontline workers should have a basic understanding** of the regime and the support services available to help those affected. This should build on existing good practice including the WRADAS training sessions and CAB workshops.

C. Work Programme

1. National data shows that Work Programme make significant volumes of referrals to DWP decision makers for sanctions. Although Work Programme providers were asked to contribute to the report, none did. We would like to ask that Salford City Council takes step to address this **lack of accountability** and consider how Work Programme providers can be held to account in the city.
2. In order to reduce the risk of sanctions being applied inappropriately, we want a commitment from DWP to guarantee that JCP advisers are trained to use the discretion enshrined within Regulations to greater effect when selecting claimants for referral to Work Programme.

i.e. *'the Secretary of State **may** select a claimant for participation in a scheme. It is a discretionary power and therefore must be exercised rationally, reasonably and based on the circumstances of each individual case. It should not be an automatic process'*

Reg. 4 Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regs 2013.

D. Data issues

1. DWP has on the advice of their central Policy Unit, has been unable to share other local data requested aside from that included in this report. In order to promote a better local understanding of conditionality and sanctions, we want **DWP to share key agreed local data sets**. This should include sanction rates for care leavers, families with children, high risk offenders etc to be decided by Family Poverty Cabinet Working Group.

2. It is also recommended that we ask partners in the city to agree a **system for recording** when working with a sanctioned client/customer so as a partnership, we are able to gather a clearer picture and track developments over time. This is particularly important due to the implementation of Universal Credit this July.

E. Mandation

1. Mandation by DWP in relation to volunteering is having counterproductive impacts for claimants and agencies. We would like to ask the Skills and Work Board to pledge support to the position statement from GM Volunteer Centres and Voluntary Sector Local Support and Development Organisations on their **Vision for Volunteering** in the region.
2. We would like to explore the impact on learning provision more thoroughly and ask the Community Learning Trust present analysis on the impacts of **skills mandation** on retention, progression etc to the Skills and Work Board.
3. JCP to work with partners to develop a **transparent local agreement** to identify which provision is on their 'approved' list and therefore attendance at which counts towards a person's claimant commitment. Partners to be provided with a single route of contact within JCP to request updates

F. Access to advice

1. Sanctions are causing additional financial hardship to Salford residents who are likely to be experiencing the effects of poverty. Due to the complexities of the system, claimants require independent welfare rights advice at critical points as described in this report. This is to both prevent a sanction and to challenge an inappropriate sanction; a third of sanction decisions are overturned when challenged. **Advice services need to be given adequate resources** to deliver the support required.

G. Access to emergency financial support

1. Salford's Discretionary Support Scheme along with Food Banks provides critical support to people in crisis. We are concerned that the government has announced that funding for local support schemes is to be withdrawn and want to request that this provision is continued in Salford.
2. We want to see further investment from partners in Salford Credit Union to support the development of products which allow immediate loans to people in an emergency.
3. We are aware that the Financial Inclusion Practitioner's Group is launching a city wide 'Salford Against Loan Sharks' campaign. We ask that all the partnership Boards in Salford sign up to promoting this campaign.

H. Further areas of work we want to see undertaken

1. The task group has agreed that this is an interim report and wants to repeat the evidence gathering broaden report contributors and to report back to the Skills and Work Board in 6 months time. This is important due to the implementation of Universal Credit.

2. We want the Financial Inclusion Practitioner's Group to explore drawing down funding to support other pieces of research and/or projects to further support residents of Salford impacted by Welfare Reform, particularly the impacts on **mental health**.

We hope this report can be used to add to the calls from a wide range of organisations nationally who are calling for an independent review on whether the conditionality & sanctions regime is having a positive effect on increasing employment levels and tackling poverty.

Appendix 1: Task group members and report contributors

Alison Page (Chair) – Salford Community and Voluntary Services

Debbie Witton - Welfare Rights and Debt Advice Service, SCC

Alec McFadden – Salford Unemployed Community Resource Centre

Dave Ormsby – Salford Citizen’s Advice Bureau

Angela Woodcock – Salford Discretionary Support Service, SCC

Bev Connor – Customer and Support Services, SCC

Dianne Smith – Customer and Support Services, SCC

Catherine Connors – Skills and Work Commissioning Team, SCC

Contributors

Data analysis: Jane Roberts – Integrated Commissioning Unit, SCC

Salford Discretionary Support Service, SCC

Welfare Rights and Debt Advice Service, SCC

Loaves and Fishes

Salford Central Food bank

Leaving Care team – Next Step, SCC

Supported Tenancies Service, SCC

Salford City College

Salford Community and Voluntary Services (including Volunteer Centre Salford)

Dr Tom Tasker, Clinical Commissioning Group

The Broughton Trust

Start in Salford

Children’s Services Locality team (West and South)

Go ON Co ordinator, SCC

Work Clubs

City West Housing Trust

National Probation Service (Salford)

Skills and Work Commissioning Team, SCC

Community Learning Trust

Appendix 2: Sanction by reason

Sanctions by Reason (GB) Oct 2012 – Dec 2013

Jobseekers Allowance – Decision to apply a sanction (adverse)

Level	Reason	
Low	Voluntarily leaves a place on a training scheme/employment programme without good reason	56
	Losing through misconduct a place on a training scheme/employment programme	25
	Refusal of a place on a training scheme/employment programme without good reason	20
	Neglect to avail themselves of a reasonable opportunity of a place on a training scheme/employment programme without good reason	21
	Failure to attend a place on a training scheme/employment programme without good reason	488
	Failure to attend or failure to participate in an Adviser interview without good reason	189,421
	Refusal or failure to comply with a Jobseeker's Direction without good reason	35,021
	Failure to participate in a scheme for assisting person to obtain employment without good reason - Work Programme	302,241
	Failure to participate in a scheme for assisting person to obtain employment without good reason - Skills Conditionality	20,163
	Failure to participate in a scheme for assisting person to obtain employment without good reason - other scheme	619
	Failure to participate in a scheme for assisting person to obtain employment without good reason - Work Experience	1,959
	Total	550,033
Intermediate	Not actively seeking employment	372,978
	Not being available for work	15,343
	Total	388,324
High	Left employment voluntarily without good reason	34,242
	Losing employment through misconduct	14,079
	Neglect to avail themselves of a reasonable opportunity of employment without good reason	24
	Refusal or failure to apply for, or accept if offered, a job which an employment officer has informed him/her is vacant or about to become vacant without good reason	27,893
	Failure to participate in Mandatory Work Activity without good reason	13,596
	Total	89,831
	Total number of JSA claimants	1,028,819

Low: This category consists of decisions to apply a sanction to an ongoing JSA claim.

Intermediate: This category consists of decisions to apply a sanction to an ongoing JSA claim.

High: This category consists of a decision to close the JSA claim because, for example, a failure to either be available for or actively seek work.

Appendix 3: Length of sanctions

Sanction level	benefit	UC group	First failure	Second failure	3rd plus failure
High level	JSA	All Work	13 weeks	26 weeks	3 years
Medium level	JSA	All Work	4 weeks	13 weeks	13 weeks
Low level	ESA IS	WFI and Prep	1 week plus open ended until comply	2 weeks plus open ended until comply	4 weeks plus open ended until comply
Lowest level	IS, partner of ESA	WFI only	Open ended until comply		

High level failure - in relation to employment or employment schemes

Examples

- Lose a job through misconduct
- Leave a job voluntarily
- Refuse to apply for a job the DWP notified you of
- Failed to take up a reasonable job opportunity
- Failed to take part in a prescribed course (e.g. language skills)
- Failed to participate in mandatory work activity

Medium level failure (referred to as Intermediate / lower level in JSA regs) - in relation to availability or job search

Examples

- losing a place on a training scheme through misconduct
- failing to attend or giving up a place on a training scheme
- failing or late to attend an interview at Work programme or Jobcentre plus
- Failing to carry out a specified part of your jobseeker's agreement or a jobseeker's direction. E.g. not registering on universal job match, uploading a CV, checking certain websites.
- Universal credit – 35 hours of specified job search actions in your claimant commitment

Low level failure – in relation to steps to improve chances of paid work

Examples

- Not participating adviser interviews
- Not attending a prescribed course
- Refusing a work placement

Lowest level failure – in relation to participating in adviser interviews

Appendix 4: People who are members of a vulnerable group for the purposes of entitlement to hardship payments

Vulnerable group is the term used in this guidance to describe people who are more likely to suffer hardship if JSA is not paid.

The people who fall into these groups are defined in the regs¹. Claimants in a vulnerable group are entitled to hardship payments in circumstances where other claimants are not². *1 JSA Regs, regs 140(1) & 146A(1); 2 regs 141 & 146C(1)*

The date from which entitlement to hardship payments starts also depends on whether the claimant is in a vulnerable group¹. *1 JSA Regs, regs 141, 142, 146C & 146D*

35057 The Decision maker must treat claimants or partners who are:

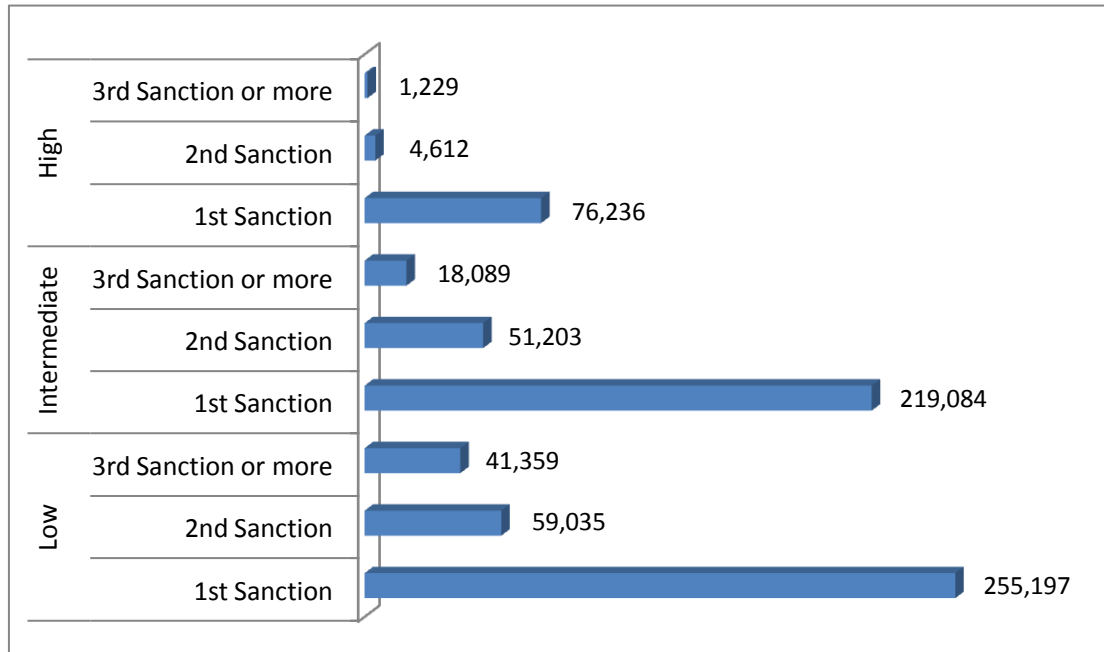
- pregnant women **or**
- lone parents responsible for a young person **or**
- members of couples responsible for children or young people **or**
- people who qualify for DP **or**
- certain people with long-term medical conditions **or**
- certain people who provide care for disabled people **or**
- certain people aged 16 or 17 **or**
- certain people under the age of 21

as members of a vulnerable group¹.

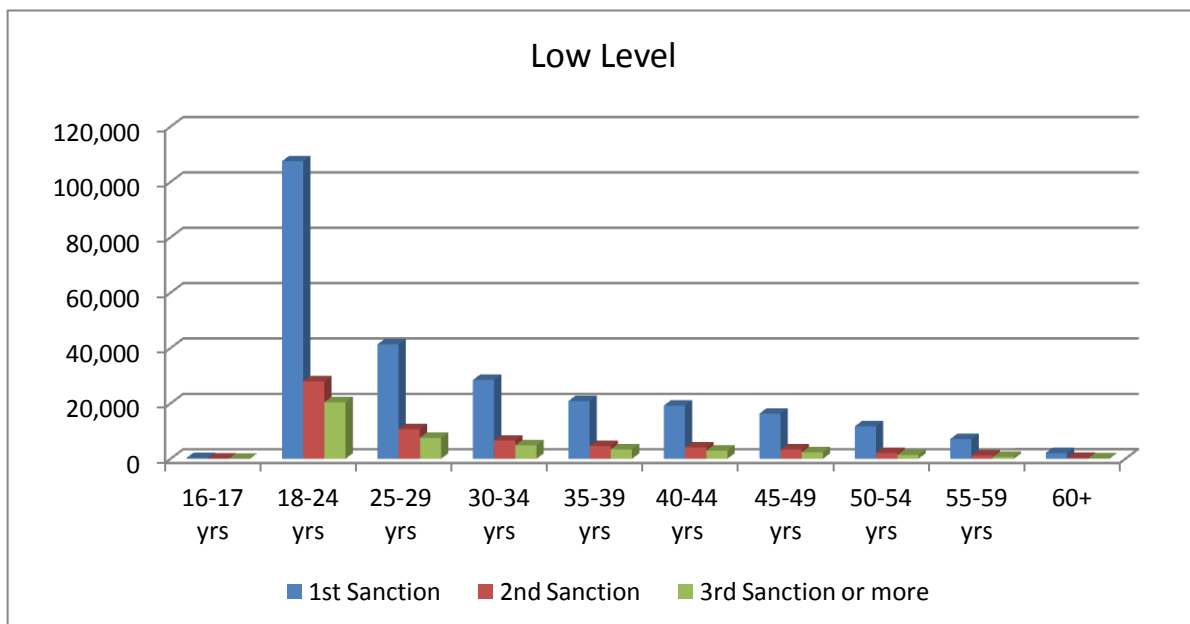
1 JSA Regs, reg 140(1) & 146A(1)

Appendix 5: Additional sanctions data

Individuals receiving a decision to apply a sanction (adverse) - by decision levels and number of sanctions. (Oct 12 – Dec 13)



Individuals receiving a decision to apply a sanction (adverse) - by age (Oct 12 – Dec 13)

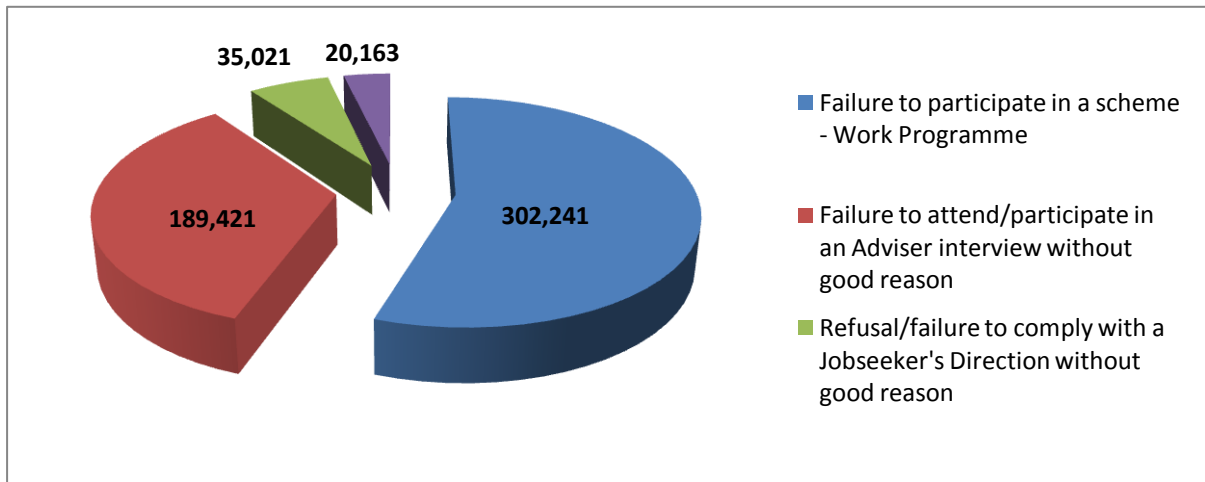


Sanctions by Reason (GB)

Jobseekers Allowance – Decision to apply a sanction (adverse)

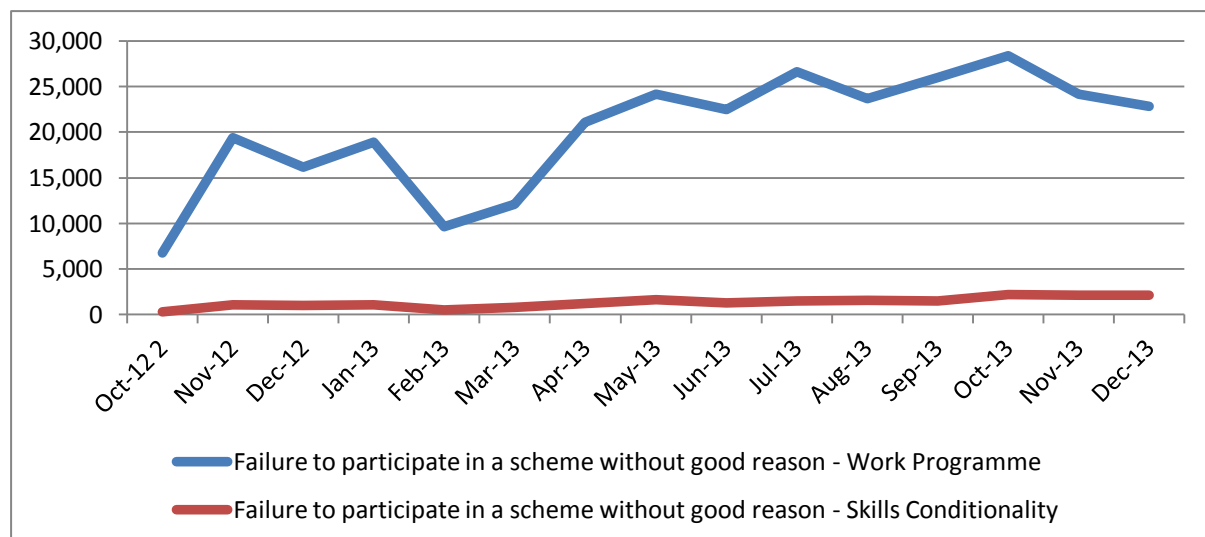
(Oct 2012 – Dec 2013)

Low Level: The highest number of sanctions applies to claimants failing to attend the Work Programme, equivalent to 55% of all low level sanctions, and 29% of all sanctions.



Intermediate Level: Not actively seeking work is the reason that 96% classed as intermediate are sanctions, 36% of the total number of sanctions.

High Level: Leaving employment voluntarily without good reason is the highest cause for claimants in this group having their JSA claim closed, equivalent to 38% within the high level group.



JSA Claimants (Oct 12 - Dec 13)

Appendix 6 : Position statement from Volunteer Centres and Voluntary Sector Local Support and Development Organisations across Greater Manchester Volunteers, Volunteering and Employment Support

A key function of Volunteer Centres is to match potential volunteers to volunteering opportunities in organisations in different sectors. We offer anyone wishing to volunteer support and advice in matching their motivations and aspirations to appropriate volunteering opportunities. This may include progression towards employment or in developing career options, but there are also many other motivations such as learning, keeping active or simply helping others.

Whatever the motivation, volunteering is a positive and informed choice. We use the following definition in our work:

Any activity that involves spending time, unpaid, doing something that aims to benefit the environment, individuals or groups other than, or in addition to, close relatives. It should be seen as distinct from mandated/required or contractual activity - which could include internships, work placements, student placements and people on other employment related schemes.

(GM Vision for Volunteering 2013)

This definition is underpinned by a number of key principles:

- **Choice** – volunteering must be a choice freely made by each individual
- **Diversity** – volunteering should be open to all
- **Mutual Benefit** – both the volunteer and the organisation that the volunteer works with should benefit from the relationship
- **Recognition** – the contribution of the volunteer should be recognised

We recognise the value of programmes which provide good quality support in preparing for and finding employment. Activities in these schemes are sometimes confused with volunteering and we therefore set out below our position on these:

Activity which we do NOT consider to be “volunteering”:

Internships

A time limited placement that allows a person to gain practical experience by undertaking an activity that allows a person to gain on-the-job experience. If the intern is under contract (written or implied) and unpaid, but working for a charity, voluntary organisation, associated fund-raising body or statutory body, they are likely to be, in the eyes of the law, a ‘voluntary worker’. There is a ‘voluntary worker’ exemption from the National Minimum Wage regulations but this is to enable voluntary organisations to continue working with volunteers (i.e. those who wish to donate their time/experience for no reward) and where their role would have normally been seen as contractual and, therefore, subject to Minimum Wage.

We believe that internships are an important way for increasing access to the labour market.

However, in practice, not everyone has the resources to undertake a full week’s work for no

income and therefore unpaid internship opportunities are not open to all. We believe, as a matter of best practice, that interns should be paid *at least* the Living Wage.¹

Work experience

A planned period of work-based learning or experience with learning outcomes usually undertaken as part of a programme of university, college or school study, as a short placement, work taster, temporary work, or a period of supported employment as part of vocational training. The placement is usually sourced externally with an employer in any sector (private, statutory, voluntary) although the person may sometimes source their own.

It is worth noting there are increasing examples of legal challenges to unpaid internships, for example;

<http://www.theguardian.com/education/2014/feb/17/unpaid-intern-alexander-mcqueen-court>

placement, they will normally be accountable to the original agency for carrying out the placement to certain standards over an agreed period of time. Work experience is typically not paid, not contracted and short-term. This is often where people, especially young people, are offered the opportunity of a taster of a particular job and given the chance to try various tasks or shadow a member of staff. This may be part of an educational course or 'into work' programme.

We believe that work experience is a valuable means of learning. It is distinct from internship in that it will usually take place in the context of wider study and generally be short term.

Mandatory Work Activity / Community Work Placements under the Help to Work Programme

These initiatives are not volunteering: the principle of freedom of choice to participate in them and will be faced with benefits sanctions if they do not engage in the compulsory placements. We note that the Department of Work and Pensions (DWP) does not refer to these as "volunteering", but others are starting to and this is muddying the waters. Note that voluntary and community organisations may choose to host placements but this is not the same as engaging volunteers. (We encourage organisations to consider carefully whether or not to be involved in this scheme as providers of placements. Trustees of voluntary and community sector groups need to consider whether they are willing to instruct their staff and volunteers to report someone to Job Centre Plus for not turning up or being late knowing that their benefits will then be stopped?)

We, the Volunteer Centres across Greater Manchester, will not be engaging with the Mandatory Work Activity process. We believe firmly that volunteering must always be about choice.

Volunteer Centres are **not** normally funded or contracted to provide support in finding unpaid roles for students/trainees to undertake as a component of their course of education or training nor unpaid roles for people as part of statutory or mandated work programmes. We are also mindful of the risks to our own sustainability of increasing requests to identify volunteering opportunities from providers who are contracted to do this as an integral part of a commissioned service (e.g. Work Programme).

Following from the above, staff of Volunteer Centres will refuse third-party requests to confirm, or otherwise, attendance at the Volunteer Centre, neither will we sign documentation to this effect. We encourage volunteers to maintain their own record of hours spent volunteering and promote recognition of achievements by volunteer involving organisations. However, we must refuse third party requests to verify or confirm hours worked or activities undertaken, neither will we sign documentation to this effect.

In some cases, individual Centres may be able to develop services such as these but they would be on a charged-for, commercial basis. If, for example, Job Centre Plus or a Work Programme provider wishes to establish a referral partnership with the local Volunteer Centre, they will need to enter into a contractual arrangement covering charges for these services, particularly in relation to those clients who need additional support.

Supported by Volunteer Centres and Voluntary Sector Infrastructure Agencies across Greater Manchester

Manchester

Macc (incorporating Volunteer Centre Manchester)

Salford

Salford CVS (incorporating Volunteer Centre Salford)

Trafford

Voluntary & Community Action Trafford and Volunteer Centre Borough of Trafford

Bolton

Bolton CVS (incorporating Volunteer Centre Bolton)

Tameside

Community and Voluntary Action Tameside (incorporating Volunteer Centre Tameside)

Oldham

Voluntary Action Oldham (incorporating Volunteer Centre Oldham)

Wigan

Wigan and Leigh Council for Voluntary Service

Appendix 7

DWP Response to recommendations

<p>Do you think that any of the recommendations proposed in the report should not be included? If so, why not?</p>
<p>A. Improvements in communication - Recommendation 3 would be impossible to implement. The Salford offices take an average of 350 new claims a week. The third sector could not offer independent advice to this number of claimants. A valid claim has not been made until the claimant commitment has been signed, so any delay would mean the claimant waiting longer for their first payment.</p> <p>Recommendation 6, although JCP offices refer to SDSS, not everyone we refer will attend. It would be more accurate for SDSS to ask where people who attend have been referred from.</p> <p>Recommendation 7. Housing benefit staff are able to see on the DWP system if a claimant has a benefit sanction. However this needs to be checked individually and has resource implications.</p> <p>B. Recommendation 1. Further training of DWP staff is not required. We carry out extensive training for our staff and have guidance which covers vulnerability. We have good relationships with support agencies in the City such as START, Thomas Project, Mona Street project, Mustard Tree, Windsor Fellowship etc. Through Community 1000 staff are given work time to undertake voluntary activities. Many staff engage in voluntary work in their own time. For example several JCP staff have joined the Booth Centre sleep out.</p> <p>C. Recommendation 2. As regards referral to the Work Programme staff take account of personal circumstances and arrange for Work Programme deferrals or telephone interviews where appropriate.</p> <p>D. Data issues recommendation 1. Most of the data requested by the Working Group does not exist, for example the number of claimants affected by sanctions who have children. DWP is not able to provide regular and extensive additional data to that provided nationally. DWP is sharing data extensively with Salford LA through the Troubled Families programme.</p> <p>E. Mandation Recommendation 1. No one is mandated to voluntary work.</p>
<p>Do you think there are recommendations missing? If so, please add here.</p>
<p>Section E. Mandation</p> <p>Recommendation 3. Partners should route all course information and queries through Penny Applegate Penny.Applegate@dwp.gsi.gov.uk. Each individual is different so it will depend on their job goals and previous experience whether a course is able to be included in their claimant commitment.</p>
<p>From the proposed recommendations detailed in the report and your own suggestions if missing, please identify your 'top 3' recommendations – those you feel we can work together on to make the most difference on in Salford.</p>
<p>Section A. Improvements in communication to claimants is one of the key recommendations in the Oakley Review. This is currently being implemented in all Salford JCP office and covers recommendations 1,2, 4 and 5.</p>

Section B. Part 3. We support the awareness and training of all frontline workers in understanding conditionality and sanctions issues.

Section C. Part 1. We would encourage Work Programme providers participating in the review and recommendations.